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ABSTRACT

In these addresses and panel and workshop presentations, experts from business, congressional, union, academic, and nonprofit association sectors provide a look at part-time employment issues of concern to workers, employers, and public policy officials. They describe the place of part-time workers in today's labor force; the needs of older workers, women, and families for more part-time opportunities; and the response of employers and unions. The keynote address offers a profile of the part-time worker. Four presentations from a panel on the workers' mandate for part-time employment focus on the needs of older workers, the growth of the female part-time work force, a family perspective on part-time work issues, and union representation of part-time employees. The five presentations from a panel on employers' responses describe employers' views of the benefits and problems of part-time employment and offer some examples of part-time employment. The luncheon address deals with changing negative attitudes toward part-time employment. Five workshop presentations concern planning a part-time program, setting up employee benefit packages, children of working parents, working part-time after retirement, and government action to assist part-timers. (YLB)

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ASSOCIATION OF PART-TIME PROFESSIONALS

Part-Time Employment In America

Highlights of the first National Conference on Part-Time Employment

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Association of Part-Time Professionals Education Fund

INTRODUCTION

Excitement generated by the first National Conference on Part-Time Employment led to our decision to publish the remarks of conference speakers. Never before in one forum has the part-time issue -- as it affects workers, employers, and society -- been so thoroughly and effectively explored.

Part-time employment is not a peripheral issue. As our speakers point out, the growth in part-time positions reflects complex demographic, industrial, and managerial changes -- married women and older workers desiring reduced work schedules, movement from a goods-producing to a services-producing economy, and enhanced pressures from the marketplace for productivity and cost-effectiveness.

Knowledge can lead to action. As you the reader peruse this volume for facts, ideas, and practical advice, I hope you will be encouraged to take positive steps to expand the opportunities for voluntary part-time employment, especially at professional and managerial levels.

The Association of Part-Time Professionals Education Fund is proud to have sponsored the first National Conference on Part-Time Employment and anticipates that this volume will expose a wider public to the perspectives developed at the conference. We are grateful to our distinguished speakers for joining us and later for reviewing and adding to the edited versions of their remarks.

Although dozens of individuals contributed to planning and staffing the conference I particularly want to thank Barbara Cook for co-chairing the conference, Sheila Richardson for developing the volunteer support effort, and Barbara Akst for overseeing the "employer connection" segment of the afternoon program.

As editor, I have tried to retain the conversational tone of the original presentations while smoothing the transition from oral to written form. Immersion in the words and themes presented at the conference has reinforced my belief in the quality and utility of our speakers' remarks.

April 1984

Diane Rothberg
President

ASSOCIATION OF PART-TIME PROFESSIONAL EDUCATION FUND

The Association of Part-Time Professionals (APTP) is a non-profit, national professional association that promotes employment opportunities for qualified men and women interested in part-time professional positions.

The Education Fund is the information and research arm of APTP. All contributions to the non-profit Education Fund are tax deductible.

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PROFILE OF THE PART-TIME WORKER

Keynote Address by Thomas Plewes
Bureau of Labor Statistics
U.S. Department of Labor

I am very pleased to be with you here today. Let me start by outlining several trends in part-time employment:

- Part-time employment has grown tremendously over the last several decades.
- The growth of voluntary part-time workers, however, has slowed.
- The fastest growing industries are those that employ the largest number of part-timers.
- The majority of part-time jobs are in white-collar occupations, where job growth is the fastest.
- In the last decade, the U.S. gained five full-time jobs for every part-time one; this in contrast to job growth patterns in other countries.

Overall, these trends purport well for the future of part-time employment opportunities, though as we shall see, there is still room for improvement. There is also evidence that some institutional barriers must be removed before any large scale growth in part-time opportunities can occur.

Part-time employees in the U.S. are defined as all those who work from one to 34 hours a week. In order to understand this diverse group of workers, part-timers are subdivided by their usual work status -- whether full- or part-time -- and by their reasons for working part time. This information is gathered through a survey conducted by the Bureau of the Census for the Bureau of Labor Statistics from a sample of some 60,000 households a month.

COMPONENTS OF PART-TIME EMPLOYMENT (Exhibit 1)*

My discussion today will focus mainly on those persons who work part time by choice, i.e., they do not want full-time work, their full-time job is less than 35 hours a week, or they are unavailable for full-time work for a number of other reasons, like school attendance, family or home responsibilities, or health. We often refer to this group as voluntary part-timers, and are represented by the second box in Exhibit 1.

The first and third boxes represent the group who wanted full-time work but had to settle for part-time employment. This latter group is working part time involuntarily or in labor terminology, for economic reasons. Such reasons would include slack work, material shortages at the firm, repair of plant or equipment, and not being able to find a full-time job.

*Exhibits start on page 8.

The characteristics of the voluntary part-timers are significantly different from this group which is working part time involuntarily. Persons who work part time because they want to generally find themselves in work situations that accommodate their needs. Generally, this group of part-timers shows less turnover on the job, and stays on such work schedules much longer than those working part time for other reasons.

The fourth and last box represents a group of part-timers who usually work full time, but for personal reasons such as a vacation or a temporary illness, are on part-time schedules; this group will return to full-time work after a period and will not concern us further here today.

FOURTEEN PERCENT OF ALL WORKERS WERE ON PART-TIME SCHEDULES BY CHOICE: ANOTHER SIX PERCENT HAD TO SETTLE FOR PART-TIME JOBS (Exhibit 2a)

Voluntary part-timers numbered 12 and one-half million in 1982 and accounted for the majority, 70 percent, of those working shortened schedules. Together with those on part-time schedules for economic reasons, over 18 million persons, or one in five of all employed workers last year, had jobs at which they worked fewer than 35 hours.

Half of all private-household workers work less than 35 hours a week. (Exhibit 2b) Interestingly, for people who are classified as voluntarily working part time, they work quite a few hours. About half of all part-time employees worked 15 to 29 hours, one-fourth worked 30 to 34 hours, just below the cutoff for full-time work, and the rest reported that they worked under 15 hours. Average hours worked are much the same across industries and occupations. It is noteworthy, however, that persons who are best able to choose the length of their workweek, such as private household workers and the self-employed, work relatively few hours.

VOLUNTARY PART-TIME WORKERS ARE DISPROPORTIONATELY FEMALE AND YOUNG (Exhibit 3)

We know quite a lot about voluntary part-timers. Certainly, for both men and women, full-time employment is the predominant pattern. Still, women are more than twice as likely as men to be working part time. As a result, women account for 70 percent of all those working part time voluntarily, but only 40 percent of all those on full-time schedules last year. This has not always been the case. There were more male part-timers than females back in 1940, but "Rosie the Riviter" changed that during the war, by creating opportunities and reducing the social restrictions which had previously existed. Part-time employment has been a predominantly female status ever since. In fact, about 40 percent of the revoluntionary increase in the number of working women since 1940 has been in part-time employment.

Staying with sex difference for a moment, men are less likely to be working part time voluntarily. About half of all men who worked part time did so by choice, compared to three-fourths of all women.

Age also makes a difference in part-time employment. In comparison to workers on full-time schedules, teenagers and older workers are over represented among the voluntary part-timers --- e.g., teenagers comprise three percent of all full-time workers but 23 percent of all part-timers. In fact, part-time work is the rule for about 50 percent of all teenagers and for persons over 65 years of age. Full-time work is the norm for every other age group.

SINGLE PERSONS ACCOUNT FOR A SMALL PROPORTION OF THOSE WORKERS ON PART-TIME SCHEDULES (Exibit 4a)

Given the long standing, but changing work roles of women, it is not surprising to see that among men working part time, few are married, but among part-time women, the majority are. The increasing tendency for married women, including those with children, to work outside the house, is perhaps the most important reason for explaining the growing number of part-time employees. Single persons, regardless of sex, make up the smallest proportion of those on shortened work weeks.

ONE-FOURTH OF ALL WORKING WOMEN EVER MARRIED WORK PART TIME VOLUNTARILY (Exhibit 4b)

The prevalance of part-time employment among married persons varies widely by sex, with only three percent of the men, but 24 percent of the married women on shortened schedules. On the other hand, among persons who are no longer married, for whatever reason, there is less of a difference, with almost equal proportions of men and women working part time voluntarily.

THREE-FOURTHS OF ALL VOLUNTARY PART-TIME WORKERS ARE IN TRADE AND SERVICE INDUSTRIES. (Exhibit 5a)

The long-term shift in the pattern of job growth, away from goods and toward services, more than any other factor, has opened numerous opportunities for part-time employment.

Another important factor is that the service-producing industries have actually been increasing their employment of part-timers relative to full-timers. These effects are largely responsible for establishing the current demand for part-time workers. Industries which employ large numbers of part-timers have grown the fastest, and they have also increased the share of their work force that is part time.

Two service-producing sector industries -- trade and services -- account for most of the part-time jobs. Service industries include hospitals and other health-care facilities,

personal services (like barbershops and beauty parlors), and business services.

More specifically, the strongest growth has occurred in retail trade and in personal services -- the leading sources of part-time jobs for women. In fact, the fastest growing industry in the country -- personal services -- has provided one in nine new jobs since the recovery began earlier this year. Also, the self-employed made up a sizeable proportion of the part-time employed; however, very few women are in this group.

PART-TIME WORKERS ACCOUNT FOR A VERY SMALL PROPORTION OF ALL WORKERS IN MANUFACTURING AND CONSTRUCTION (Exhibit 5b)

Employees in trade and services were about four times more likely than those in manufacturing, construction or public administration to be on part-time schedules. And among unpaid family workers, two out of every five persons were working reduced hours.

Industry growth determines, to a large extent, occupational growth. Generally speaking, as the service-producing sector expanded, so did office and service jobs, while slow growth in manufacturing and other goods-producing industries limited the increase in employment among blue-collar production workers. This is borne out by the fact that the fastest growing jobs over the last decade, and we expect in the future, will be among professional and clerical groups. Next fastest will be managers, and then service workers. Blue-collar growth has been sluggish over the last decade and is not expected to improve.

WHITE-COLLAR WORKERS ACCOUNT FOR OVER HALF OF ALL THOSE VOLUNTARILY WORKING PART TIME (Exhibit 5c)

56 percent of all voluntary part-time workers are in white-collar occupations, with part-time clerical workers accounting for almost half of this group. Workers in service jobs made up another 30 percent of those on voluntary part time. Blue-collar jobs provided few opportunities for part-time work, employing less than 15 percent of all persons on shortened workweeks.

Interestingly, almost two-thirds of all women on voluntary part-time schedules are in white-collar occupations; but less than half (about 40 percent) of the men are in such jobs.

We should note, however, that, as a general rule, the higher the job skill category within the occupational hierarchy, and the higher the degree of supervisory responsibility, the less likely a worker will be employed on a part-time basis. Employers still seem, on the average, to want their workers with scarce skills or with management responsibilities, to be on full-time schedules.

Take first the white-collar group. Managers were least likely to work part time, followed by professional workers.

Similarily, in blue-collar jobs, the proportion of persons working part time was lowest for skilled craft and kindred workers.

It is apparent that certain jobs are less likely to be held by part-timers because of the nature of the job or the skills required. These jobs seem to have certain characteristics -- they are well paying, for one.

THERE IS LITTLE DISPARITY IN THE EARNINGS OF PART-TIME WORKERS BY SEX, RACE OR ETHNIC ORIGIN (Exhibit 6)

Although part-timers earn less than full-timers because they work fewer hours, it is also true, but less obvious, that on an average, part-timers earn considerably less per hour than do their full-time counterparts -- $3.88 versus $6.44 in 1982. This wage gap arises less because employers pay part-timers a lower rate for the same work (though many do), than because part-timers seem to be relegated to lower paid sectors. In addition, part-time workers are concentrated in occupations noted for fast worker turnover. Jobs with fast turnover are infamous for low wages and difficult working conditions, with a lesser investment in labor training and fringe benefits than other jobs.

On a more positive note, part-time employment can be seen as a greater equalizer. The median weekly earnings of part-time workers, regardless of sex, race, or ethnic background, are about the same -- around $81. In contrast, among full-time workers, white adult males clearly out earn all other groups. In every instance, women working full time earn far less than any of their male counterparts. We should not forget, however, that part-time earnings are equalized at a very low and unacceptable rate.

SINCE 1955 THE PROPORTION OF WORKERS ON PART-TIME SCHEDULES HAS DOUBLED (Exhibit 7)

In order to better understand the future, it is necessary to review the past. Back in 1955, part-time workers accounted for only ten percent of employment. As of 1982, this proportion has doubled with the number of part-timers rising from 5.6 to 18.5 million.

Until the early 70's, most of the actual growth in part-time employment had been among persons working part time by choice. However, since that time, those working part time involuntarily, that is, for economic reasons, have become an increasing proportion of all part-time workers. This number varies with changes in the business cycle. Thus, the percentage working part time involuntarily generally increases during periods of economic distress, and since the early 1970's the U. S. has undergone four recessions. In the 1981-82 recession, involuntary part-timers rose to an all time high of over six million.

The continued growth in part-time employment in the foreseeable future depends largely on two factors -- the continued rise in the labor force participation of women and the sustained growth of the service-producing sector of the economy. These have been the main supply factors in the past, and we project that they will continue to be so in the future.

THE SCANDINAVIAN COUNTRIES ALL HAVE A VERY HIGH PROPORTION OF PERSONS WORKING PART TIME (Exhibit 8a)

Even though the definition of a part-time worker in other countries usually varies substantially from ours, comparisons can be made with care using a standardized definition based on regular and voluntary work carried out during working hours distinctly shorter than normal. Under this international concept, we can see that the Scandinavian countries of Norway, Sweden and Denmark had 20 percent or more of their workers on shortened schedules. At the other end, the European countries of France, Belgium, Italy, and Greece, had fewer than ten percent on voluntary part-time schedules. The U.S. was mid-way between these two extremes with 14.4 percent of its employed voluntarily working part time.

PART-TIME EMPLOYMENT AND THE SHARE OF SERVICE SECTOR EMPLOYMENT IN SELECTED COUNTRIES, 1973 and 1981 (Exhibit 8b)

The rapid growth in part-time employment in various countries over the last two decades can be attributed to two factors. Very important is the shift in the structure of these countries towards the service sector. Part-time workers often provide the essential element of flexibility in an industry's work schedule, as many services have peak activity periods followed by slackened demand at other times. As shown in Exhibit 8b, the service sector has been expanding rather quickly in most countries and by 1981, all but three countries had over 50 percent of their total employment in the service sector.

The other consideration is labor cost; part-time workers are typically paid at a lower wage rate and receive fewer fringe benefits than full-time workers in the same industry.

It should also be mentioned that between 1973 and 1981, jobs created in North America, where employment grew strongly during this period, were largely full time -- only one in every five new jobs created was a part-time position. This is in marked contrast to Europe, where employment grew very slowly, but one out of every two new jobs was a part-time job.

In closing, I would like to bring to your attention a recent study by Janice Hedges, formerly with the Bureau of Labor Statistics, who studied the job commitment of workers. Commitment is not something we can measure on a monthly basis, but it is an important factor. She found that managers strongly attest to the commitment of voluntary part-timers. In many cases, she says,

they feel that part timers are highly productive. By concentrating their work, they can be more productive than full-timers.

COMMITTED, RELIABLE, FLEXIBLE, LARGELY FEMALE, WHITE COLLAR, RETAIL TRADE AND SERVICE CONCENTRATED, UNDERPAID -- this is a picture I bring you today of the part-timer. The conditions are such that we will continue to see growing opportunities in the future, though possibly not as strong in some occupations or industries as many would like.

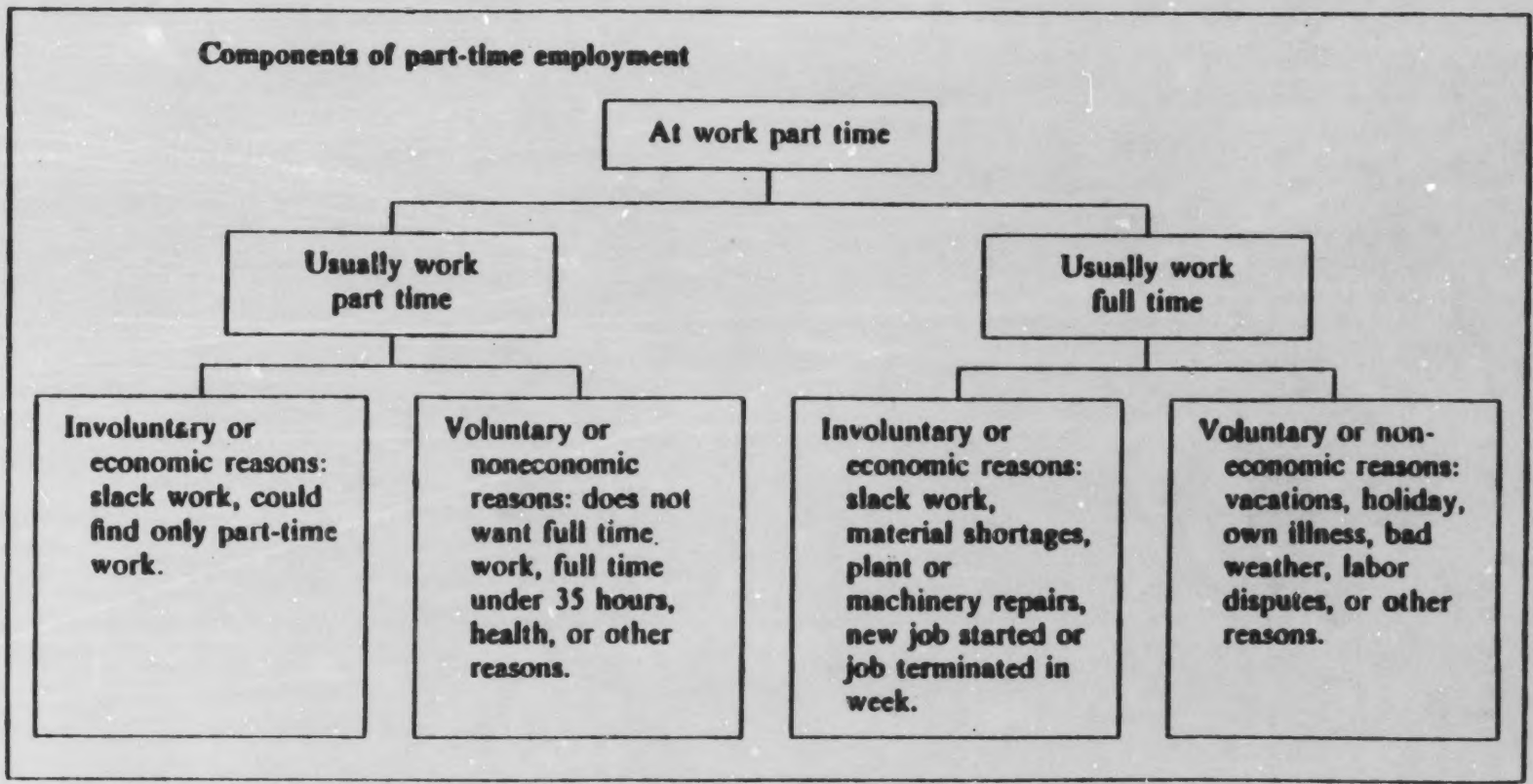

Components of part-time employment
At work part time
Usually work part time
Usually work full time
Involuntary or economic reasons: slack work, could find only part-time work.
Voluntary or noneconomic reasons: does not want full time work, full time under 35 hours, health, or other reasons.
Involuntary or economic reasons: slack work, material shortages, plant or machinery repairs, new job started or job terminated in week.
Voluntary or non-economic reasons: vacations, holiday, own illness, bad weather, labor disputes, or other reasons.

EXHIBIT 1

Source: Bureau of Labor Statistics 1982 annual averages

Fourteen percent of all workers were on part-time schedules by choice; another six percent had to settle for part-time jobs

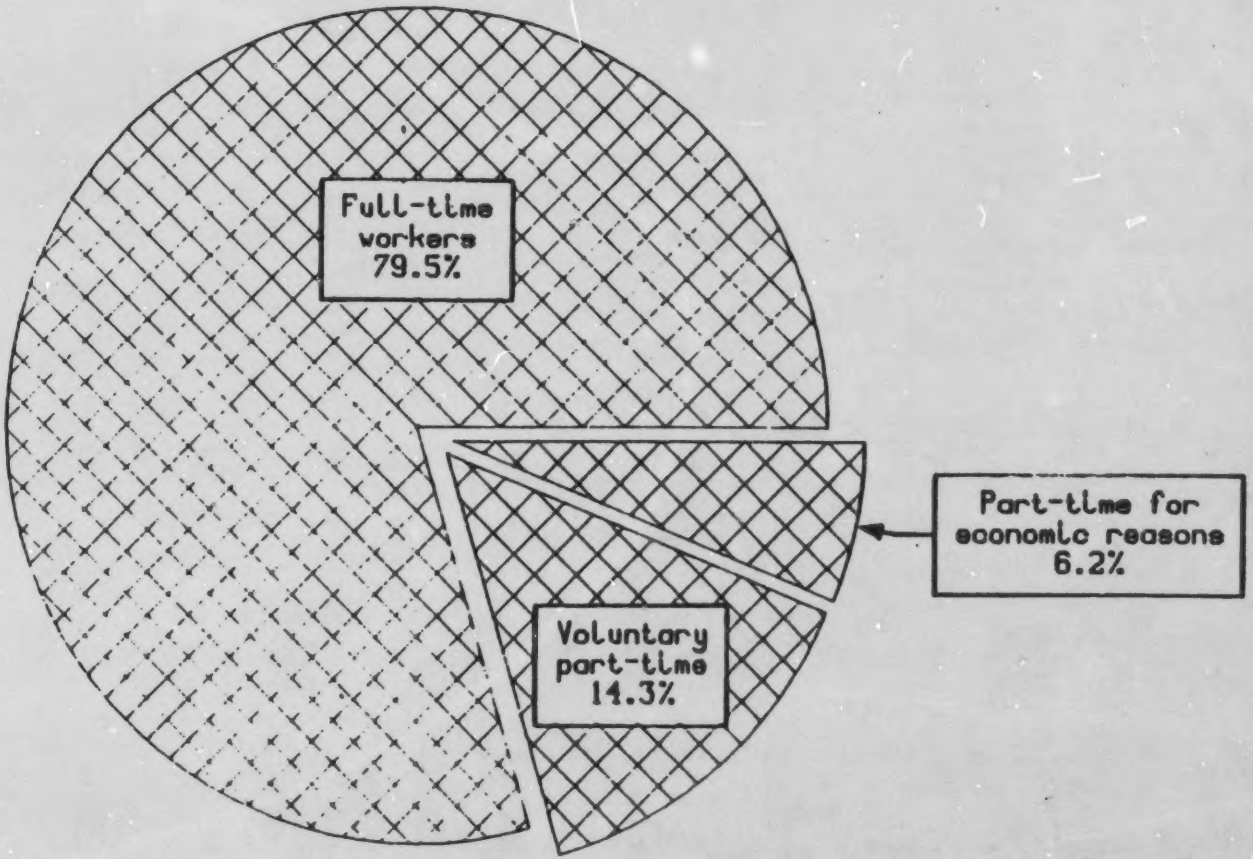


EXHIBIT 2A

Source: Bureau of Labor Statistics 1982 annual averages

Half of all private-household workers work less than 35 hours a week

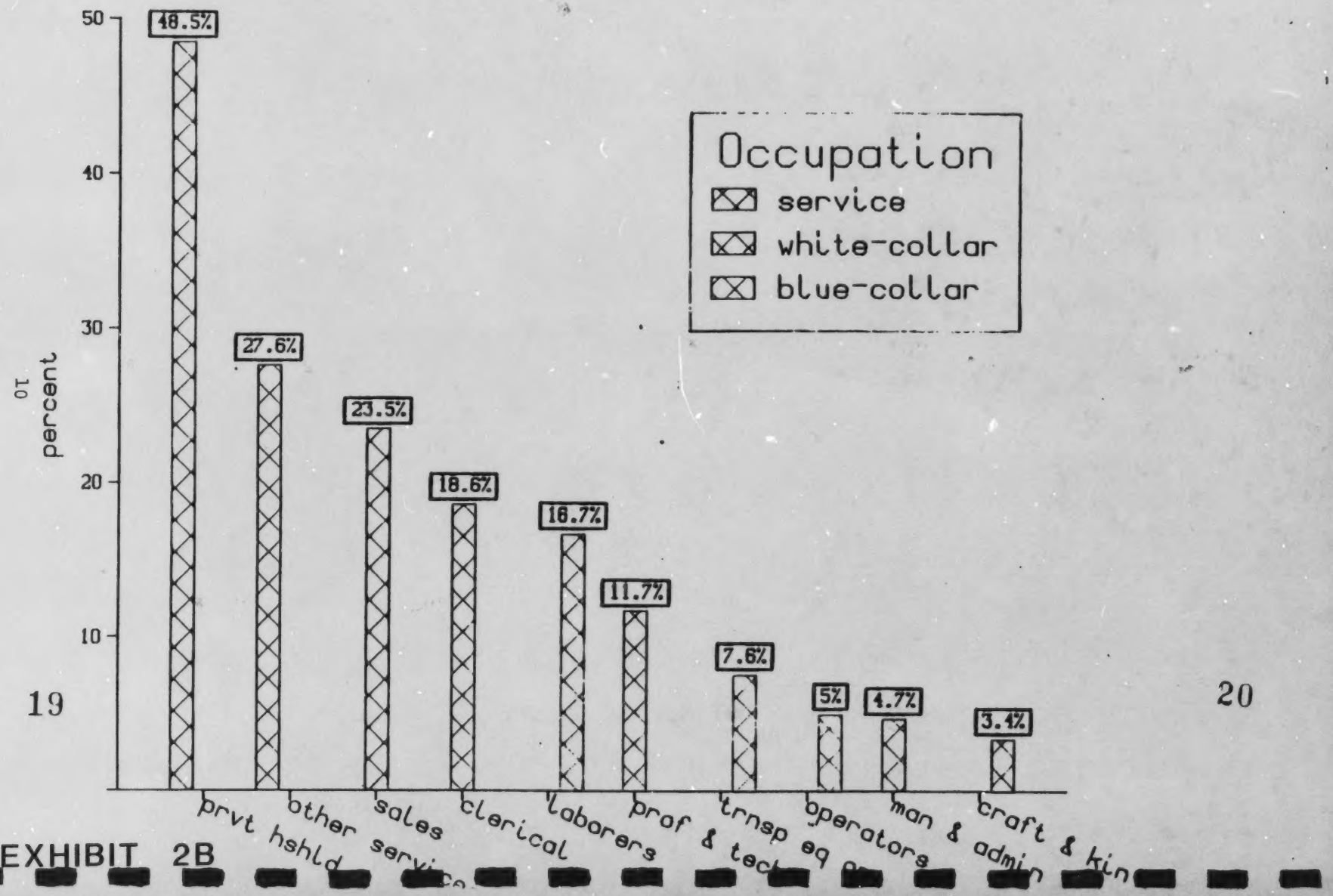


EXHIBIT 2B

Source: Bureau of Labor Statistics 1982 annual averages

Voluntary part-time workers are disproportionately female and young

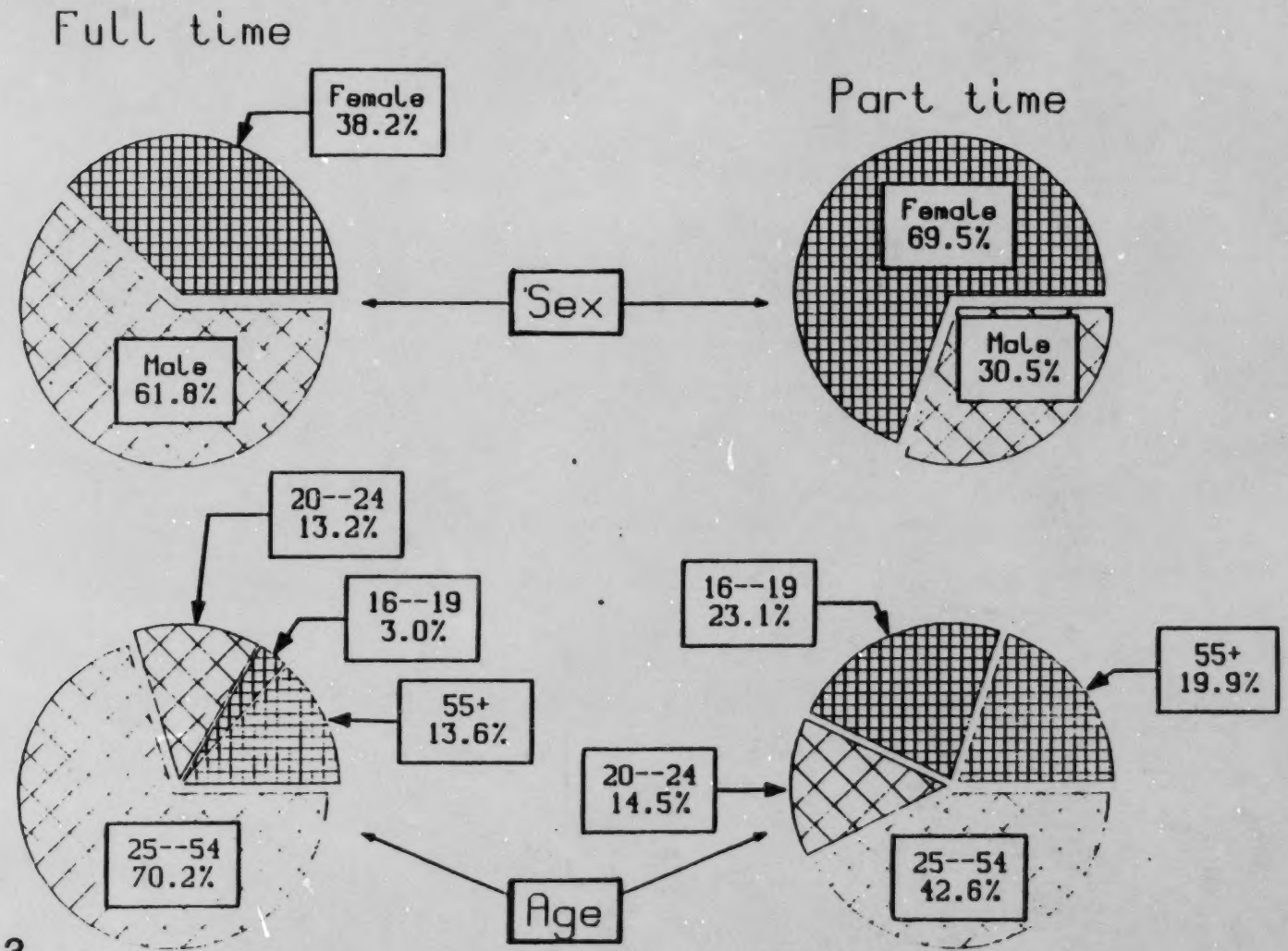
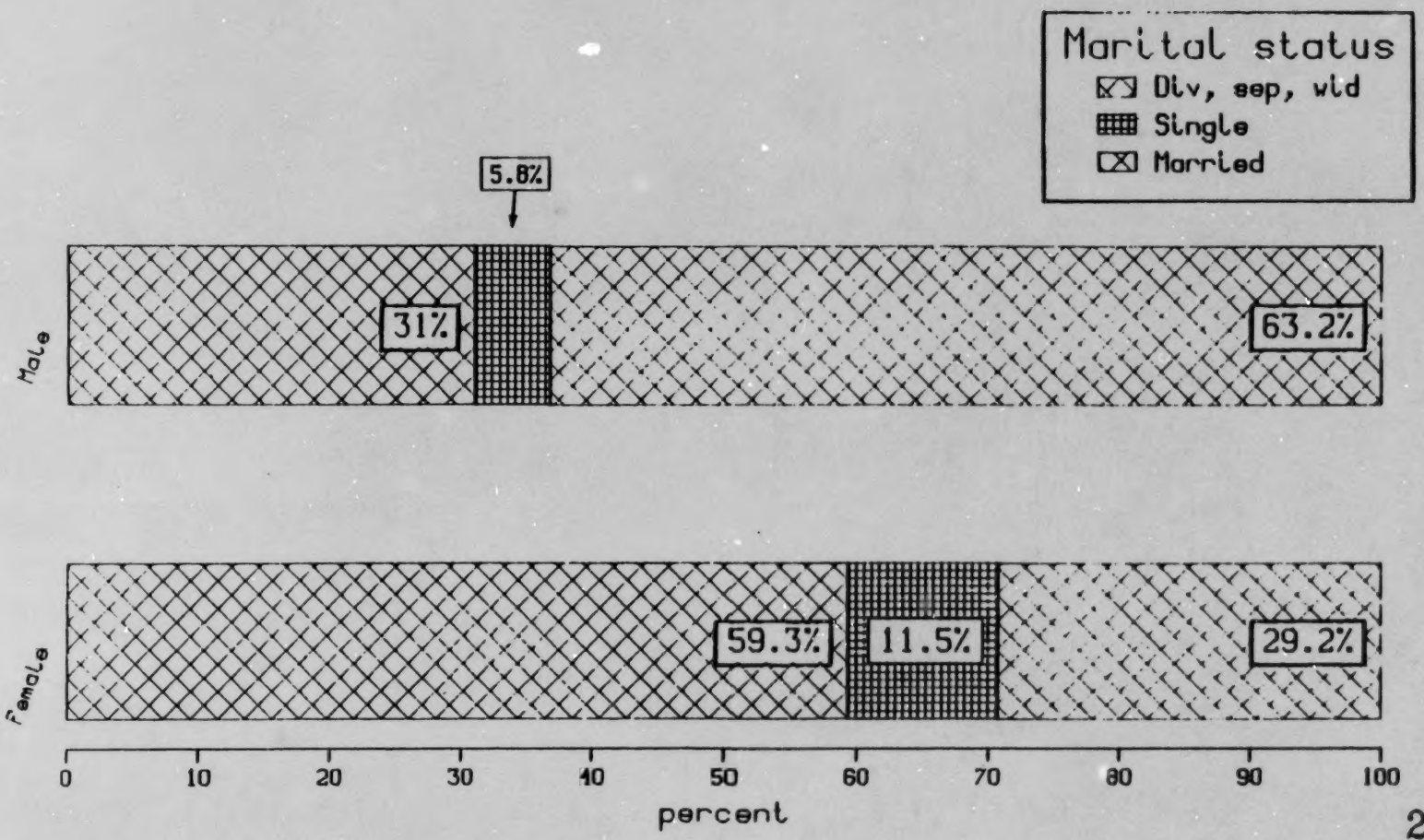


EXHIBIT 3

Source: Bureau of Labor Statistics 1982 annual averages

Single persons account for a small proportion of those workers on part-time schedules



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23 EXHIBIT 4A

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Source: Bureau of Labor Statistics 1982 annual averages

One fourth of all working women ever married work part-time voluntarily

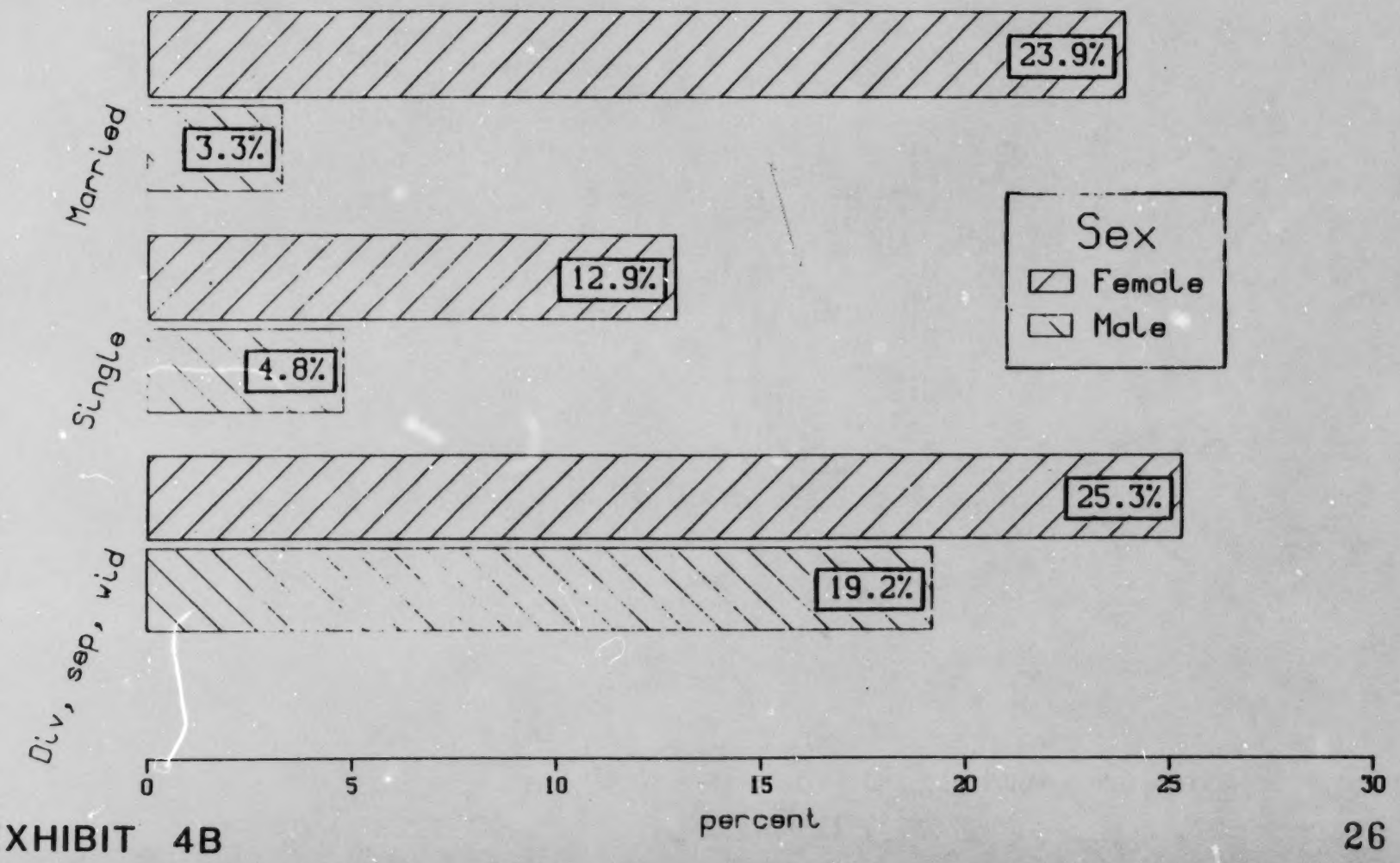


EXHIBIT 4B

Source: Bureau of Labor Statistics 1982 annual averages

Three-fourths of all voluntary part-time workers are in trade and service industries

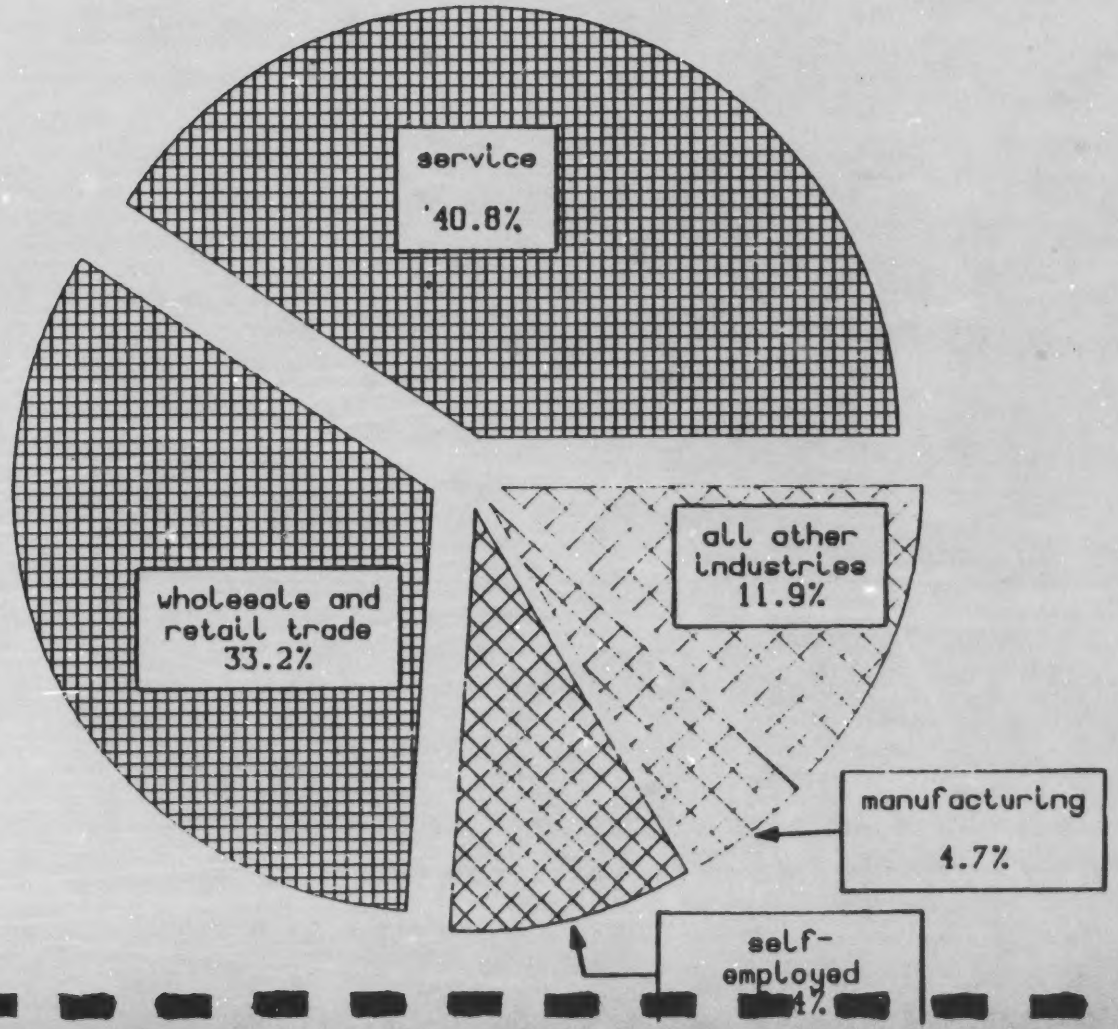


EXHIBIT 5A

Source: Bureau of Labor Statistics 1982 annual averages

Part-time workers account for a very small proportion of all workers in manufacturing and construction

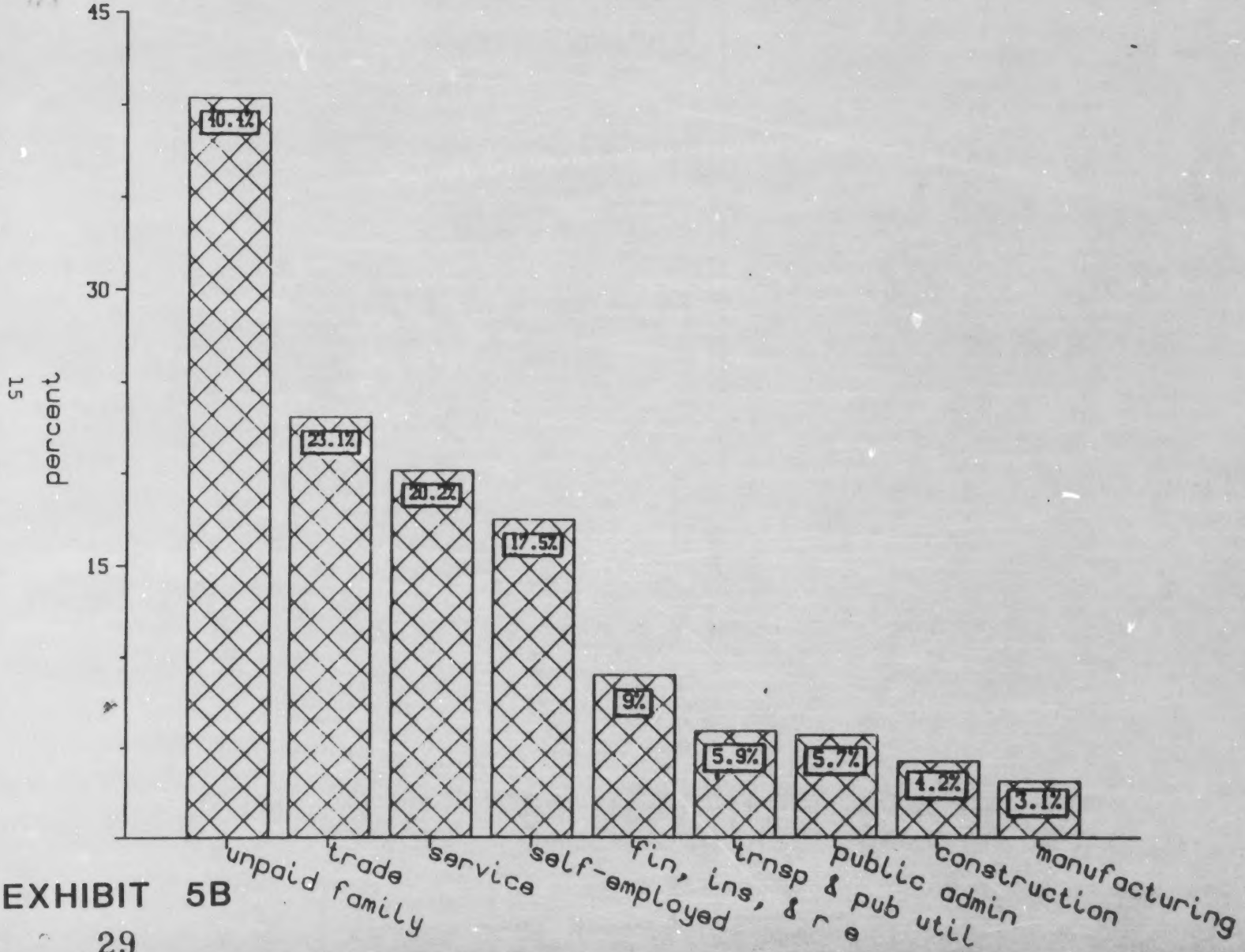
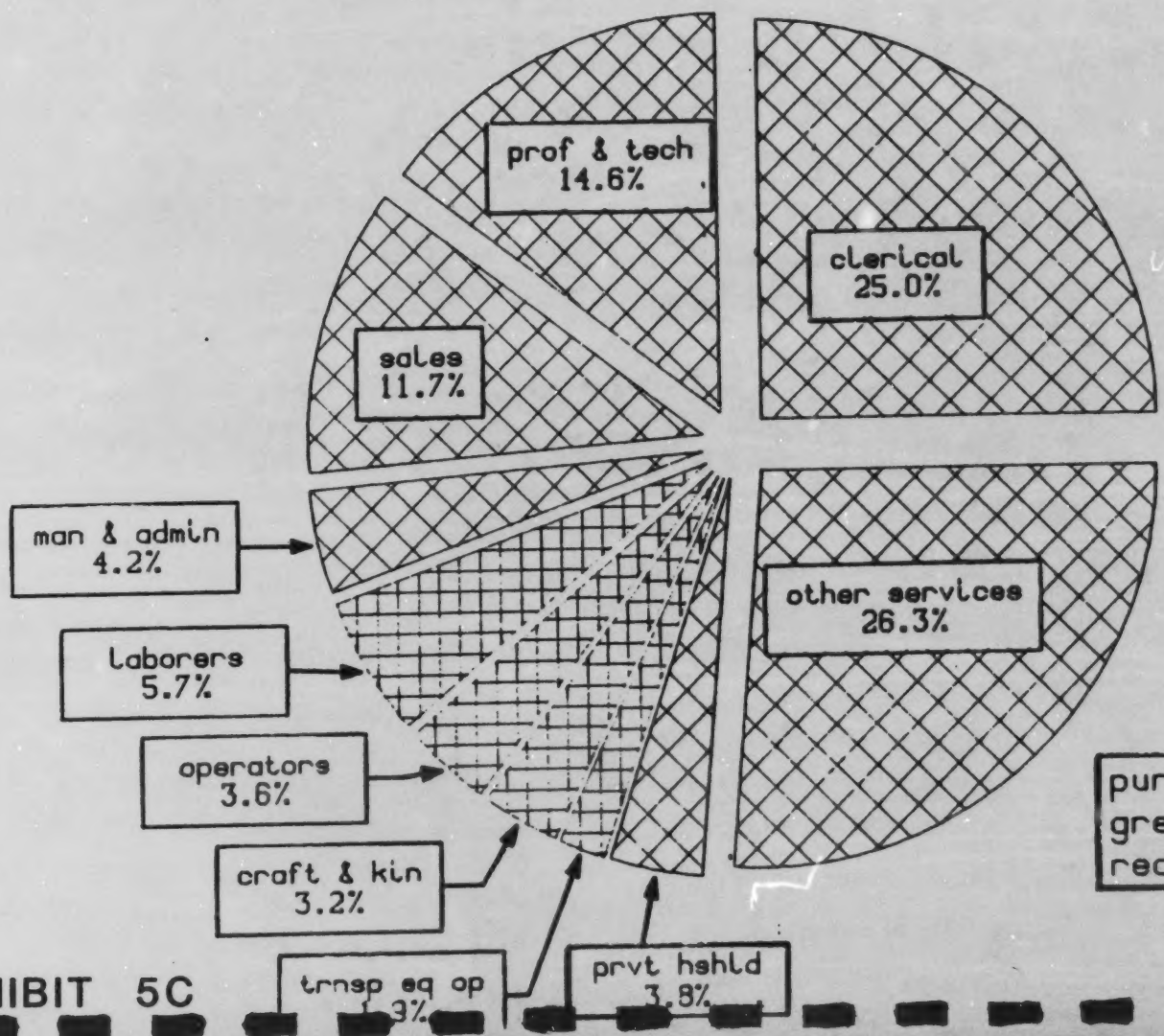


EXHIBIT 5B

Source: Bureau of Labor Statistics

1982 annual averages

White-collar workers account for over half of all those voluntarily working part time



purple: white-collar
green: blue-collar
red: service

16

31

32

EXHIBIT 5C

There is little disparity in the earnings of part-time workers by sex, race or ethnic origin

Average 1982 Median Weekly Earnings Of:

Full Time Wage & Salary Workers			Part Time Wage & Salary Workers	
Male	Female		Male	Female
$382	$244	White	$80	$85
$281	$223	Black	$81	$79
$272	$207	Hispanic	$83	$85

Source: Bureau of Labor Statistics

EXHIBIT 6

Source: Bureau of Labor Statistics

1982 annual averages

Since 1955 the proportion of workers on part-time schedules has doubled

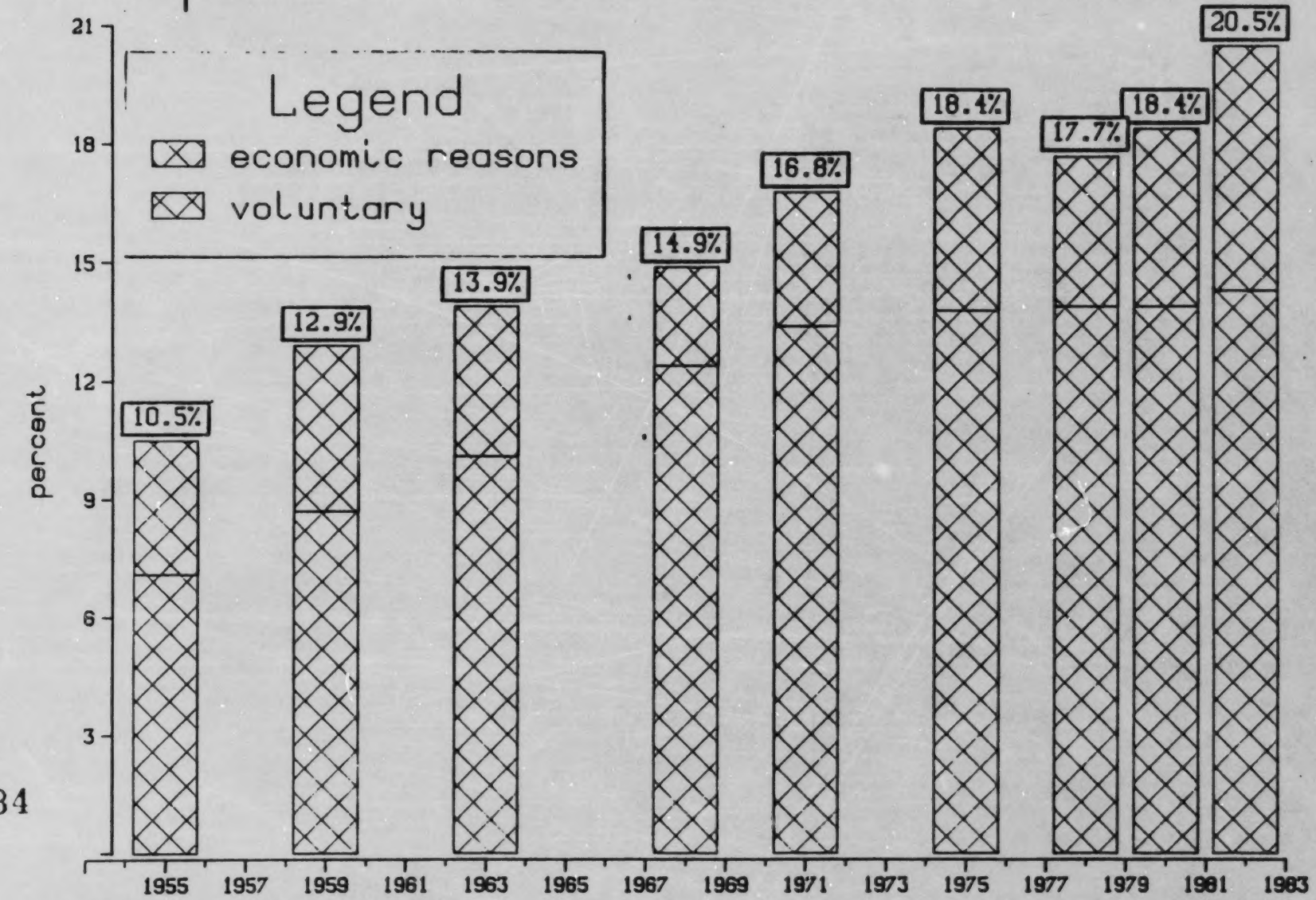


EXHIBIT 7

Source: OECD 1981

The Scandinavian countries all have a very high proportion of persons working part time

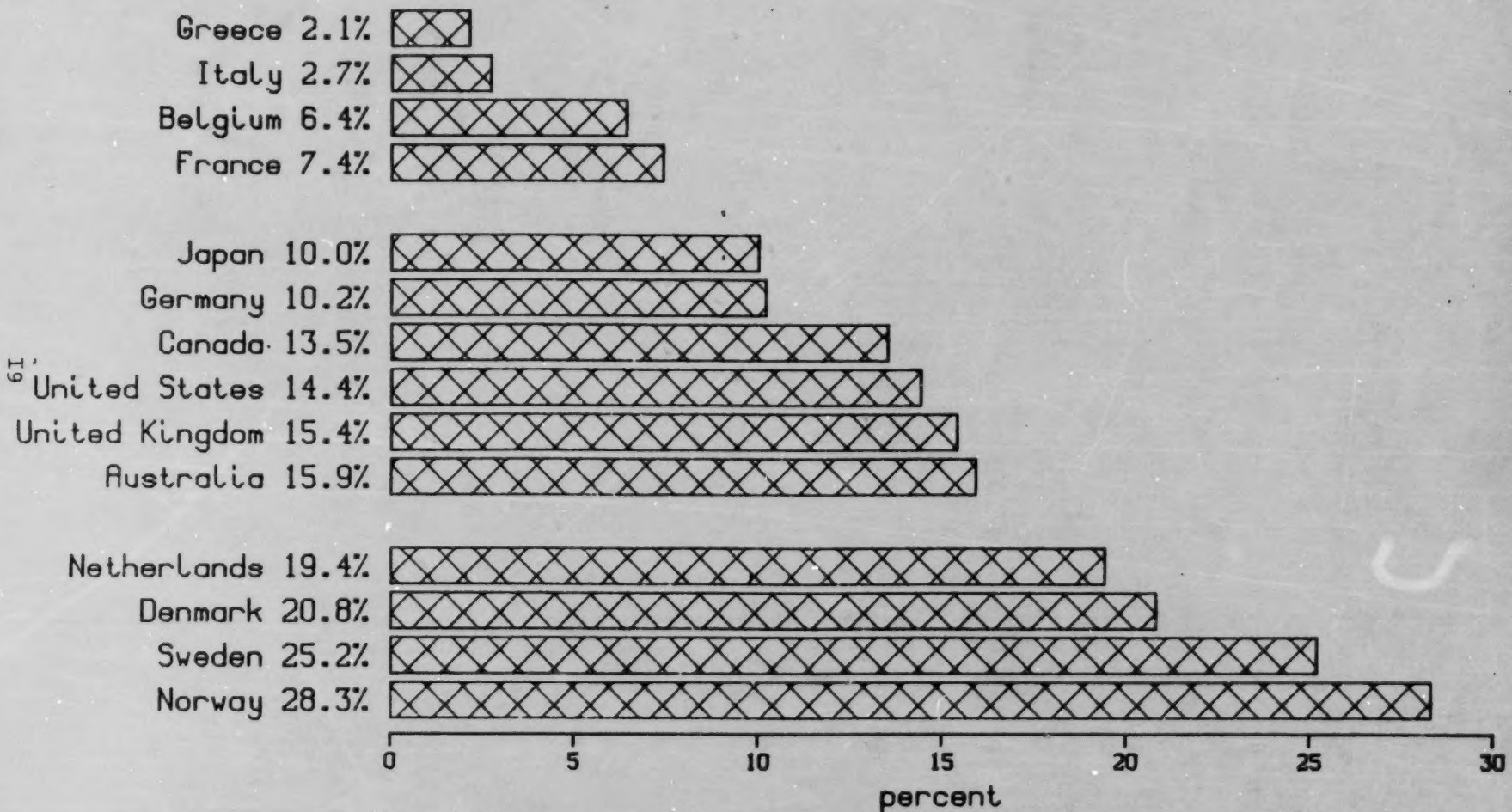


EXHIBIT 8A

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PART-TIME EMPLOYMENT AND THE SHARE OF SERVICE SECTOR EMPLOYMENT IN SELECTED COUNTRIES, 1973 AND 1981

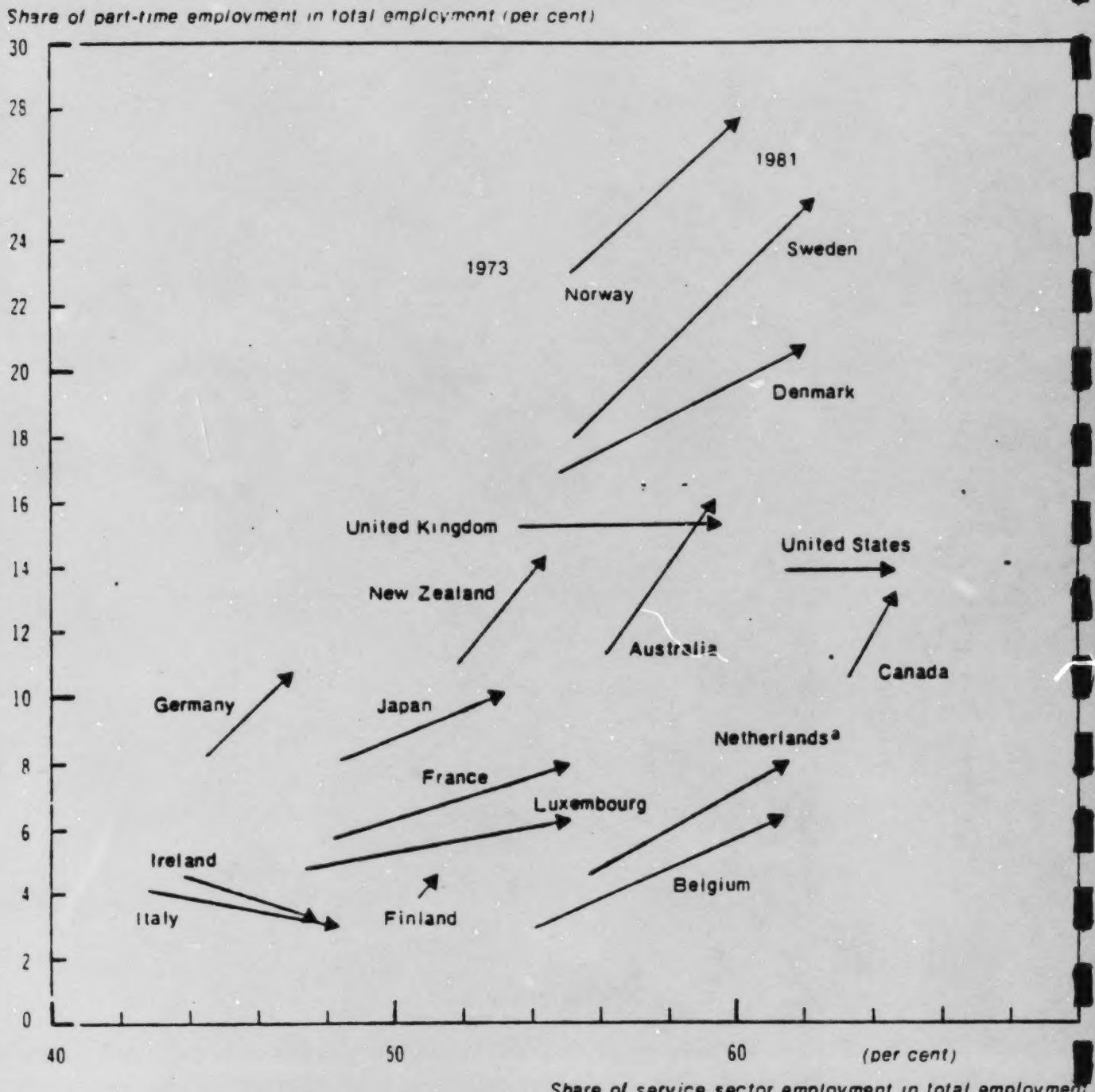

EXHIBIT 8B

PART TIME: WORKERS' MANDATE?

PRESENTATION BY DR. STEPHEN McCONNELL

HOUSE SELECT COMMITTEE ON AGING
U.S. CONGRESS

Briefly, I can answer "yes" to the question: "Do older workers want more part-time employment?" Now let me flesh that out a bit.

In 1982 the Lou Harris survey on issues of aging found that three out of four people over the age of 55 were interested in part-time work, rather than full-time retirement. Three out of four. If you look at the statistics only 32 percent of people over the age of 55 are in the labor force at all. And only one-quarter of those are working part time. So we have a discrepancy: three out of four say they want to work part time rather than retire but only one-third are in the labor force and one-quarter of those are working part time.

Does this mean that people are lying when they respond to Lou Harris? Does it mean that the jobs just aren't out there? Or, does it mean there are certain policies that are somehow discouraging people from taking part-time jobs? The answers to those questions are the focus of my remarks.

First of all, the statistics have been pretty consistent in terms of surveys showing that older people want to work. They would rather not work in the same job they have been in for most of their lives, and they would rather not work full time, but are interested in some kind of part-time work.

Are they able to work? Most older workers are healthy. We know that 70 percent of people over the age of 65 have some kind of chronic condition. But that chronic condition might be arthritis or something that does not in any way inhibit their ability to hold a job. In fact, statistics show that three-quarters of all people over the age of 45 have no chronic limitation. They may have a chronic condition, but it does not limit their ability to work or get around. And if you look at sick days from work, the average annual sick days for most workers is five per year. For older workers over the age of 65, it is only 3.9 per year. So in fact older workers miss fewer days because of illness than the general population.

Which older workers are more interested in part-time work? This same 1982 Harris survey found that it is mostly the people who need to work, i.e., with lower income and less education. These people need a job; they need some kind of income supplement. If you look at the poverty statistics you will find that one-third of those people over 65 who are not working are below poverty, but only eight percent of those who are working are

below poverty. So, if you are not working you are four times as likely to fall into poverty than if you are working. That is a major motivation for older people to remain in the work force.

What about attitudes toward work and retirement? We find that those people who think retirement stinks are the ones that want to keep working in some kind of part-time capacity. But the converse isn't true. For those who think work is wonderful such as professionals, the data are ambivalent. Some want to continue and some do not. It is not so much attachment to the job as it is how much you despise what is out there after you retire.

Also, we have found that attachment to an employer is important for many people to continue working. We did a survey of 4,000 retirees three years ago. Lockheed, at that time, was facing some critical skill shortages and was trying to find ways of solving those shortages. We suggested that maybe they might want to look at their retirees and rehire some of them. They had not thought about that; they had in mind all the other potential labor forces, women and other groups. They had not thought about their retirees. We surveyed 4,000 retirees and the question was: "If Lockheed asked you to come back to work, would you do it?" And this was from the Lockheed Company so it was a realistic kind of question. It was not a bunch of academic surveyors asking the question; it was Lockheed saying we are interested in your coming back to work. Would you do it?

Half of the people responded -- 2,000 of these retirees. And half, about 1,000, of those said they would come back to work. We asked them: "Why would you want to come back to work?" In many cases it was an identification with the company. Lockheed tends to pride itself on being a kind of family of workers and there was a lot of attachment to Lockheed. The retirees, in effect, said: "If Lockheed needs me, I'll come back to work." Some of that is tied up with the kind of work they do at Lockheed. It is related to national defense in some cases and it was that sense of a national priority and "Lockheed needs me."

How many older people are working? I mentioned that 32 percent of those 55 and older are in the labor force and one-quarter of those are part-timers. Only 13 percent of those 65 and older are in the labor force, but about one-half of those are working part time. What you find among the oldest group 65 and over is that part time is growing, while the total labor force participation rate is shrinking. Fewer people are in the labor force, but an increasing proportion of those who are in the labor force are working part time.

Now one of the questions I raised about the discrepancy between the survey findings and the actual participation rate concerns the availability of jobs. In hearings of the House Aging Committee on this question, we have heard from employers and found that in some sectors of the economy there is interest in older workers, believe it or not. Those sectors are com-

puters, and high technology, where they are facing labor shortages. There have been some companies established that hire and train only older people over the age of 55 to be computer programmers. Companies like Grumman Aerospace and Lockheed were for a time rehiring retirees -- engineers -- because there was a shortage. Now because of the flagging economy they are not hiring anybody, but that is a sector of the economy that has shown interest in older workers.

Also, the fastfood industry, MacDonald's and Burger King, testified before our Committee. They are concerned about future labor shortages among the youth. The companies also admitted that older workers tend to stabilize their workforce. Among younger people, there was a terrific amount of turnover. Putting a couple of older people in there slowed that down. It was good for morale they found, and the older people tended to stay on the job.

The third sector is the banking, finance and insurance industry. There is growing flexibility in that sector. Jobs can be broken up. Some companies like Bankers Life in Chicago have found that older workers are especially meticulous and are very good workers if they are part time and on some kind of flexible schedule.

Finally, there are employer policies and Federal policies which tend to discourage older workers from staying in the labor force. We allow employers to stop contributing to pensions at the age of 65, or normal retirement age. Also, the Employee Retirement Income Security Act (ERISA) does not require employers to contribute to anybody's pension if they are working less than 1,000 hours a year. There are some other policies that I will not dwell on here.

What does the future look like? We all talk about this demographic revolution. There are going to be lots more older folks around. Does that mean there are going to be many more of them in the labor force? It's not clear. Some people are projecting labor shortages, because there are fewer younger people coming into the labor force.

Just to give you an idea of how many more older people there will be, consider that in 1900 there were 7.1 million over the age of 65. By the year 2010 there will be 74.1 million over the age of 65 -- a ten-fold increase in this century. We will have 25 percent of our population, just after the turn of the century, over the age of 65. Congress decided that they wanted to do something about this issue; they were searching around for a way to solve social security's problems and they needed some money. Instead of saying we are going to cut people's benefits, what they said is we're going to raise the age at which people can get full benefits when they retire.

Instead of being able to get full benefits at 65 after the turn of the century, those people who retire will have to wait an extra two years. This will be phased in over a period of time. Some people are trying to estimate what the labor force impact will be. If you cannot get your benefits until later, chances are you are going to want to stay in the labor force longer. In order to stay in the labor force longer people are going to be putting more demands on employers to develop part-time work. That may encourage it to happen.

In summary, there is a desire to work among older people; they want to work part time; they are able to work. We have seen some improvement; some industries are beginning to respond to older workers. More is on the horizon. Just as a resource for you on this issue, there is something called the National Older Worker Information System at the University of Michigan, Institute of Gerontology. The system has put together a very detailed listing of employers and the kind of options that are available, and it is computerized. If you want to get in touch with them, you can. Also Gail Rosenberg with the National Council for Alternative Work Patterns has done a great deal of work in this area in chronicling what employers are doing. Thank you.

PRESENTATION BY DR. NANCY BARRETT

DEPARTMENT OF ECONOMICS,
THE AMERICAN UNIVERSITY

Since Steve focused on older workers I would like to talk today about part-time workers in the category of adult but non-aged. I am going to stick to the age group between 20 and 55, and focus primarily on woman workers. In that age group most of the part-time work force is female. I would like to think about this phenomenon of the growth of the part-time work force in the context of, what I call, the transformation of the household sector.

By the transformation of the household sector I mean changing attitudes about work among married women who formerly saw themselves as full-time homemakers. In 1960, which was not all that long ago, 70 percent of all adult married women between the ages of 20 and 55 were full-time homemakers -- 70 percent. By 1980, fewer than 40 percent of women in this age group were full-time homemakers. That is within 20 years, the proportion of married women who were full-time homemakers dropped from 70 percent to 40 percent. The portion of married women with pre-school children who were full-time homemakers in the same period went from 82 percent to around 50 percent. This transformation of the household sector where the full-time homemaker went out to work

has happened very, very quickly. People keep talking about how slowly things change. The fact of the matter is that some things happen very quickly, and the transformation of the household sector was certainly a very rapid event.

The decline of full-time homemaking as the predominant occupation for adult married women has been accompanied by, as you probably know, a rapid increase in part-time employment. In fact, about one-third of all these women that went out of full-time homemaking went into part-time employment. The growth of the part-time work force among this age group (I'm not talking now about older people or teenagers) was almost entirely due to the increase in the participation of people who were likely to work part time. That is, you did not have full-time workers shifting and becoming part-time workers. There was not an increase in demand for part-time work among previously full-time workers but rather an increase in the number of people that wanted to try to reconcile household demands and work within the home with paid employment. Not all the part-time workers, but a good many of part-time workers, are married women who want to use part-time employment as the way to reconcile competing demands.

Paradoxically the same kind of attitudinal changes that have been responsible for this transformation of the household sector have also caused these women to reject the typical part-time employment opportunity. Together with the notion that they want to do something other than full-time homemaking are all sorts of changes in attitudes about what is appropriate women's work. What is the appropriate role for women? Women who go into paid employment now are talking about pay equity, higher pay, non-traditional work opportunity, fringe benefits, health insurance, pensions, job security, opportunities for personal fulfillment, more responsibility, all of this. At one end of the spectrum, for women that head families, and are in poverty, the part-time job may mean the difference between getting off of welfare and staying on welfare.

At the same time that all of this is going on, of course, we have the legislative environment that is mandating equal employment opportunity for women. Since the vast majority of part-time workers, at least in this age category, are female, you can think about discrimination in part-time employment as a civil rights issue, a violation of Title VII in the Civil Rights Act that prohibits employment discrimination on the basis of sex. Also, you can think that as the transformation of the household sector is happening there has got to be some shared responsibilities within households. Sooner or later men are going to be looking for part-time work opportunities, at least for some parts of their life span so that they can participate more fully in child rearing and other things. But as long as part-time job opportunities are also sex-typed as women's jobs or jobs for teenagers or jobs for wrinkled people, then young men that are fathers and may want to participate more fully in parenting are not going to be able to find what they view as appropriate roles.

They're going to have to move into a major sort of role change, which they may not want to do.

Although all these things suggest that there already is an impetus for change, the fact of the matter is if you look at what part-time job opportunities are available (Mr. Plewes has talked about this earlier), the overwhelming proportion of part-time workers are still in traditional female jobs. Not only are they sex-typed, but they are dead-end jobs with no possibility for upward mobility. 78 percent of all part-time jobs were in trade and services; 70 percent of all female part-timers are in sales and clerical. You know all these things. Hourly earnings for female part-timers are roughly 75 percent of hourly earnings for females working full time and those are already pretty low. We already know that a female college graduate that works full time makes less than a male high school dropout. In 1982 the median hourly wage for female part-timers was only $4.50, slightly above the minimum wage. Median annual earnings for part-time workers who worked all year round, 50-52 weeks, were $4,800. Women that worked full time earned $13,000. Coupled with this, there are no fringe benefits apart from the Federally-mandated ones. Part-time jobs are dead end; there is not much opportunity for training, no upward mobility, not too much job security.

Yet we have heard from previous speakers that all sorts of studies show that part-time workers compare very favorably with full-time workers with respect to productivity. I might cite a study that is old, but it is a government study of Federal workers in 1976 by the General Accounting Office. It found that part-time workers have much lower rates of absenteeism and lower quit rates than full-time workers. In any event, the reality of the low status of part-time workers is somehow inconsistent with the emphasis on more egalitarian treatment of women workers that we hear so much about. The idea that women are working for pin money is really not very tenable anymore. Roughly 40 percent of all marriages today will terminate in divorce. Also, child support payments are inadequate. Even in what is now referred to as intact marriages, the income from a part-time job may actually be a very critical part of the family budget. So we can no longer think that women are there doing part-time work to entertain themselves, and to make money so they can go and buy fancy hats or something like that.

Divorce and financial need are not the only factors, I think. Men and women, in general, are rejecting traditional gender-based stereotypes. Women want to break out of the traditional occupations, but at the same time they want and need part-time job opportunities. How can we reconcile the demand for part-time work with the demand for new sorts of non-traditional job opportunities? Why have things not changed more quickly? Households and attitudes have been transformed and the laws have been changed. Yet, the statistics look dismal.

What are some of the reasons why changes are resisted? Let me just try to tick off a few. I think that employers still resist change because they don't have the facts. Employers underestimate the productivity of part-time workers. I also think there are some genuine economic disincentives. If you want to start talking about how we might be able to pass laws to move ahead, to reduce these disincentives, it is useful to be able to know what the disincentives are. Let me first talk about the perceptions that the part-time worker is not fully committed. As soon as the baby gets the measles, she is going to leave, just pick up and leave that typewriter and all those papers are going to be left untyped. To me, it is extremely curious that given the fact that most female part-timers are in jobs that, if full time, would also be held by women, why would it be less likely that the full-time women wouldn't get up and leave if the kids had the measles. I'm not sure why the part-time workers somehow are seen as less reliable. You'd think it would be the other way around.

There are other concerns. The payoff to training takes longer if the person is working fewer hours. There are probably some fixed costs to hiring people. It is more costly to hire two part-timers than one full-timer in terms of pension benefits and so on.

Let me add that part of the problem also has to do with the part-timers themselves. Part-time workers sometimes can be very insecure. They are insecure because they think that other people think that they are not committed. Here we are in a world in which women are supposed to be superwomen and do everything full time. There is a financial insecurity because they are not making very much money. Also, since the employer has not trained the employee to do anything, he or she does not have much of a commitment to the worker at least from the worker's point of view. Part-time workers can be insecure and that means they are not going to speak up because they are afraid they will be fired if they do. They become victims of this paternalistic exploitation within firms. I think that it is extremely important to recognize that part-time workers ought to join a union, or organize to protect them from this kind of exploitation.

Well, what do these trends suggest? They suggest that there is going to be continued pressure to treat part-time workers like other human beings in the work force, to provide legal protection that other workers have, to provide the kind of job security that other workers have, to try to provide the kind of fringe benefits that other workers have, and to provide the kind of self-actualization or professional development that other workers have. It is very likely that employers are going to begin to think of a part-time worker as somebody that is fully committed to part-time work over an entire life span rather than a person that is moving in and out of the work force. A generation ago we had this traditional division of labor, the male breadwinner, the female breadmaker. The idea was if you were not going to commit yourself to

be a full-time paid employee you weren't any good. Or, we could use you at the minimum wage to fill in and exploit you. I think in tomorrow's work place that is not going to be the case. It is not going to be the number of hours you work, but rather the whatever it is that you are contributing to the job. Thank you.

PRESENTATION BY DR. DEBRA KALMUSS

DEPARTMENT OF SOCIOLOGY
THE CATHOLIC UNIVERSITY

Today, I will be presenting a family perspective on part-time work issues. The opportunity to speak here today comes at a particularly appropriate time in my own life. When Diane called me last spring I had a one-year old son at home and had been seeking part-time professional employment for the past year. The message I received from job interview to job interview was quite consistent; the notion of part-time professional workers was thought to be a contradiction in terms. I am delighted to speak at a conference which seeks to change that antiquated notion.

In my talk today I will review the family research on, and related to, part-time employment. I also will illustrate how, from a family perspective, part-time employment must be seen as a gender-neutral issue. Specifically I believe if we identify part-time work as a woman's issue we would be reinforcing and maintaining gender inequality in the home.

In recent years family researchers increasingly have focused on the work-family link. Previously the work-family relation had virtually been ignored. The accepted and assumed pattern in most American families was for men to be primary wage earners in the labor force and women to be engaged in non-wage labor caring for the household and dependent family members. This gender-based division of labor appeared natural and left little to attend to in the area of work-family issues. This has changed, however, with the increased labor force participation of women, particularly of mothers of young children. Now work and family are seen as inextricably linked because the person responsible for household and family maintenance, the woman, is also likely to be in the labor force.

As work-family responsibility becomes more closely linked work-family conflict tends to increase. Female employees have many non-job-related obligations and commitments vying for their time and attention. This work-family interference may create stress for several reasons. I very briefly will mention five such sources of stress:

First, marital strain may result if working wives attempt to get their husbands to do more around the house. Husbands typically resist any such redistribution of labor. Research consistently shows that husbands' household participation does not increase significantly when their wives are employed. Husbands of working wives do not work significantly more around the house than do husbands of non-working wives. Research also shows that employed wives are more likely to be dissatisfied with their husbands' level of household participation than are non-employed wives.

The second source of strain associated with combining work-family roles involves having to make decisions or choices which in and of themselves may be painful: to stay home with a sick child or go to work; to leave one's job to care for a chronically ill parent; to put in the extra hours at work that may result in promotion or to allocate that time to family. Many of these are zero-sum decisions. To achieve one outcome is not to be able to achieve the other. They force us to grapple with our priorities and to live with the costs as well as the benefits associated with those priorities. Such decisions may generate stress.

A third source of stress associated with combining work-family roles is task overload. The woman who is in the labor force and primarily responsible for the household sphere has two jobs, one paid and the other unpaid. Being a successful wife, mother, and employee may be possible, but it is exhausting. Indeed, time budget studies show that the average work day and work week (and what I am counting here are hours of paid work and hours of non-paid work at home) of an employed woman is longer than that of employed men or of full-time housewives. This is true even though employed men have longer paid work weeks than do employed women. Employed women more than compensate for the paid work time differential by putting in more hours at home. Employed women do their household and family work during other peoples' leisure time, which is to say nights and weekends. Having done laundry at 10:00 at night, I am very familiar with doing household work when other people are watching television or reading.

A fourth source of strain associated with combining work-family roles is guilt. Most employed mothers at some point report feeling guilty about not being there for their children, about not being a good enough mother. Research shows that employed middle class mothers compensate for their time at work by spending extra time with their children when they are home. This may have positive benefits for the children and for the mother-child relation, but it also contributes to the strain associated with task overload for the mother. The guilt mothers experience has effects on their children. Research shows that children seem to do less well when their mothers work and feel guilty about working, than when their mothers feel good about working.

A final source of strain associated with work-family linkages, is relevant for non-employed women. Many women want to work and they refrain from doing so because of the difficulties involved with combining work-family roles. They also may not work because they feel that it is better for their children if they are at home. However, they may feel somewhat dissatisfied, bored or trapped, with the full-time homemaker role. These feelings affect their performance in family roles. Research consistently shows that dissatisfied full-time homemaking mothers are less adequate as mothers than are dissatisfied employed mothers or satisfied homemakers or satisfied employed mothers. So the women who are home full time, but want to be working, show up to be less adequate in their mothering roles than other categories of women. In another study, researchers compared professionally employed mothers with those who had graduated from college with distinction and had then become full-time homemakers. They found higher morale, a higher sense of self-esteem, and a higher sense of personal confidence among the professionally-employed women. Moreover, when asked about how having children had changed their lives, women who were professionally employed emphasized the positive changes, and those who were full-time homemakers emphasized the negative changes especially the sacrifices one makes for children.

Up to this point I have identified several personal and family strains associated with combining work-family roles. However, the relevant issue for us today is whether part-time employment might alleviate or reduce these strains. There are several reasons to assume that it might:

First since part-time employment involves fewer hours on the job, it allows more time for non-job related commitments and obligations. One has more flexibility to schedule and more time to accomplish household and family activities. Thus task overload may be decreased. In addition guilt about one's performance as a parent may be alleviated because there is more time to be with one's children if one works part time.

Second, part-time employment may reduce some of the zero-sum choices and decisions that workers have to make. Choosing part time is, in and of itself, a statement of priorities. When one makes such a choice one is taking oneself off of the fast-career track at least for a period of time. This statement of priorities avoids zero-sum conflicts between work-family issues because certain career opportunities that might interfere with family life are not offered to part-time employees. So you don't have to make decisions whether to pursue those opportunities. In addition, the zero-sum choices may not cause as much conflict for part-time workers because they do not have to establish their priorities in order to make the choices. When faced with such choices they merely have to recommit to the priorities that they already established by choosing to work part time in the first place.

Another positive consequence of part-time employment is that it offers an option to full-time homemakers who might want to work but have not done so because of family responsibilities. Many of these women might be eager to work part time. There has been very little research that assesses the consequences of part-time employment. All the research that does exist focuses on women that work part time. However, the results consistently show positive effects. Researchers have found part-time employed mothers to be more physically and psychologically healthy and positively oriented toward their maternal roles than full-time employed mothers, or full-time homemaking mothers. Part-time employed mothers also have been found to report greater satisfaction generally with their lives compared with the other two groups of women.

And finally, mothers employed part time report higher marital satisfaction as do their spouses than do women who are not employed, women who work full time, and spouses of either of those groups of women.

Before I end I do want to say that while part-time employment seems to have positive consequences for women, casting it as a woman's issue will not have positive consequences for gender equity in the home. Framing part-time work as woman's work is due to, and in turn serves to reinforce, our gender-based conception that men are primarily wage earners and women are primarily responsible for families. Women's responsibilities in the family make full-time employment a burden for them. Part-time employment solves the problem by enabling them to be employed and fulfill their family obligations as well. Moreover, it gives them more time to accomplish household duties and thus they may be less inclined than full-time working wives to expect increased participation from their husbands. Men's current roles as primary wage earners make them virtually unavailable for part-time work because it does not pay enough. This reinforces the wage differential between men and women. It also reinforces the notion that men's jobs are more important to the family economic livelihood and thus more likely to be taken seriously, catered to, and worked around by other family members at times of work-family decision making.

If we want to change our definition of family roles then we have to stop allocating household child care and wage earning responsibilities along gender lines. As such part-time employment would be as relevant for men as for women. The goal should be a diversity of family-work strategies including part-time employed fathers and full-time employed mothers as well as part-time employment by both spouses. Thank you.

PRESENTATION BY JOHN ZALUSKY

DEPARTMENT OF ECONOMIC RESEARCH
AFL-CIO

Unions have historically represented part-time employees in professional as well as the non-professional areas. However, people still do not think of unions for professional occupations. There are a number of them. For example, the newspaper guild has represented part-time workers -- some paid, some not -- for many years. There are unions for actors, writers, musicians, hospital workers, teachers, and, depending on the definition of part time, airline employees.

In the airlines, many pilots do not work a full-time schedule for that industry; it is part of the way of getting into the system. So when you hear the grandiose salaries of some of the Jimmy Stewart types, who look very comfortable flying their planes, remember they worked their way up by flying as part-timers.

The AFL-CIO also represents a large number of people that work part time voluntarily in service industries, hotels, restaurants, and retail stores. Their salaries are substantially better than those that are not represented. We see the issue of part-time employment basically as a collective bargaining issue, one that is taken up by the people that are involved. It is a democratic process subject to the membership vote, and the give and take of the bargaining table and has been successfully resolved in many cases.

Voluntary part-time workers at the Food and Machinery Corporation in Minneapolis represented by the auto workers receive pro-rated shares of holiday and vacation pay based on their hours worked. Most part-time employees do not get vacations and do not get paid holidays. These workers do. The corporation, formerly called Northern Pump, is a major manufacturing operation that produces five-inch gun mounts for the Navy. Many part-time retail food employees represented by the United Food and Commercial Workers also get vacation benefits, holidays, and so on. Many of them also retain or get the fringe benefit of health care through the labor contract.

Something that most part-time employees lack is the opportunity for promotion, choice of shift, or vacation preference and other benefits that are based on seniority and service with the employer. Seniority is a coinage of the workplace. It is earned over the time employed there. If it is denied the part-time worker, that worker does not get a preference on vacation or on what shift to work. Very often that worker has no opportunity for promotion. We have made some progress in that area. Communication workers at the Rochester Telephone Company have a contract that provides such seniority as do others in the telephone industry. The machinists union at Lockheed has shift preference through seniority for part-time members.

We have not been as successful in representing part-time employees as we would like for a variety of reasons. Many contracts specifically exclude them from the bargaining unit. So if we cannot represent them, we have a difficult time. Usually bargaining units are created when the union goes to an election. If the employer feels that the part-time employees are going to vote for the union at the time they go to the National Labor Relations Board (NLRB) for the definition of the bargaining unit, the employer will try very hard to exclude the part-time employees. If, on the other hand, the union feels that the part-time employees are going to vote against the union, they move to exclude them because the union does not want to lose that election. The net result at the end is part-time employees are probably excluded from the bargaining unit. If we could reach the part-time employees in the election campaign process, get in contact with them, explain what we are trying to do, the likelihood of part-time workers being included would be substantially greater. I do not have a solution to the problem of the election process and organizing. But, in a number of cases, we have successfully included part-time employees -- voluntary part-time employees -- after the organizing campaign.

Where employees work part time involuntarily, we are making some progress. During economic downturns we go into many plants, into many organizations to support worksharing. The AFL-CIO about five years ago, supported the idea of short-time compensation. Short-time compensation is where unemployment benefits are received if the work week is reduced due to economic downturn. There are three states that currently have such laws -- California, Arizona and Oregon. It is likely that we will have a similar law in Pennsylvania within the month. When an economic downturn occurs, people vote on whether or not to accept worksharing. The high-income people tend to pay a higher cost than the people at the lower end of the structure and the higherincome people tend to be senior employees who might not want to give up those benefits. The advantage to worksharing is that even though employees are working part time for economic reasons, in most cases they retain all fringe benefits. And that is very important. Fringe benefits today are roughly one-third of total compensation. That is a big bite. So in that setting we are making some rather decent progress.

In a number of labor contracts we had negotiated pre-retirement, voluntary part-time work. We have been experiencing an end to that in this economic recession. One obvious reason is that we encourage full retirement for workers and try to heighten their benefits. The steel negotiations are an excellent example. Retirement benefits were increased to encourage early retirement. Other unions encourage early retirement to provide full-time job opportunities for others. It was not forced on anybody, only if a worker wanted to retire. Some agreements that had pre-retirement voluntary part time, with continued fringe benefits for those preferring to retire, ended their part-time programs.

We keep hearing that part-time employees are as productive as full-time employees. I believe that to be true. The issue is not just productivity. A worker may be just as productive, perhaps more productive, as a part-time employee. But that worker is not more profitable. We keep confusing productivity with profitability. If employers can get part-time employees to work at close to the minimum wage, without fringe benefits, then it would be more profitable, rather than employing them at decent wages with fringe benefits. To fight such exploitation, we have a labor movement; we care and want to represent part-time employees. We believe it is the only way that part-time employees will not be exploited. With a union contract, in most cases, you will continue to get fringe benefits or at least a pro-rated share of fringe benefits. Thank you.

PART TIME: EMPLOYERS' RESPONSE?

PRESENTATION BY DR. STANLEY NOLLEN

SCHOOL OF BUSINESS ADMINISTRATION
GEORGETOWN UNIVERSITY

First of all like everybody here today I am a supporter, a booster, of part-time employment, permanent part time, professional part-time employment because I think it improves the operation of business enterprises, of government agencies, or trade associations whoever the employers might be. I think it improves the well-being of people in general. So part-time employment helps more people than it hurts, although we also have to realize that it is possible that some people in the labor force can be made worse off by more part-time employment. It is not without costs. Although most employers would be better off if they used more part-time employees, there are some costs and there are some chances for losses there as well. I want to be especially conscious of the other side of the equation as well. Even though I am all in favor of part-time employment, I am trying to be realistic about it.

Let me now make a few remarks about how I perceive employers to view part-time employment. What do they think about it? How do they decide whether to use it or not? These opinions of mine are based on several years of discussions with employers. I must qualify these remarks at the outset because all of last year I was not in this country. I was in London and therefore, my impressions may be one year out of date. I am told this morning by some of my colleagues and friends that not much new happened in the part-time employment field. Perhaps my observations are still current. I hope so.

There are basically four points that you can make about how firms regard or view part-time employment, how they go about deciding what to do about part-time employment. The first point: We always distinguish temporary from permanent, or professional part-time employment. Firms do not always do that. There is still a great deal of confusion between temporary on the one hand and part time on the other. And certainly, although we talk about professional part-time employment, and you see it on this banner behind us here, to take the next step we would also like to talk about career part-time employment. You will not find that concept alive and well in most corporations. Of course, there are the exceptional corporations, some of whom are represented on this program today. We all know their stories and we will hear more of their stories, but we also must remember that there are thousands of firms and agencies that do not behave like these pathbreakers behave. Career part-timers in employment are simply not in their vocabulary.

Second point: For most employers, part-time employment is simply not an issue; it is not a question; it is not a policy. By itself it does not matter. It is not sufficiently important in the whole context of running the business that it deserves or warrants any special attention on its own. You see, work schedules, of which part-time employment is only one, are only a part of human resource management, and that is only a part of the making and selling of a product. We should not be deceived in thinking that to our clients, the employers, that part-time employment amounts to very much. It is not that important to them, in general, by itself.

Third point: When part-time employment is used by employers it is usually a response to a specific operating problem that the firm has to solve so that it can operate better. There are many examples of this. If absenteeism among women manufacturing employees is high because of pre-school children then job sharing is a solution to that problem. If a bank has peak loads on Monday mornings, Friday afternoons, and every mid-day then, of course, part-time tellers are a solution to that peak load problem. If creative work is the kind of work that is best done in random spurts, flexibly, then perhaps flexibly scheduled part-time employment is the answer to that kind of employment problem. That is why firms hire part-time employees in most cases I think. They have a problem to solve.

Most companies do not conduct economic cost-benefit analyses in order to weigh up gains from increased productivity or reduced absenteeism or whatever it might be and compare those to increased costs of hiring, training, and fringe benefits. They do not make those kinds of calculations with rare exceptions. It is not an economic analysis situation at all. It takes a lot for me, an economist by schooling and in practice, to say that, but economic analysis on the part of the employer is not the answer. Well, it is important to know what the cost-benefit ratio is, and if you can demonstrate it's positive that is all to the good, but it will not do it by itself. It is not enough.

That leads me to my last point about employers' views of part-time employment: We have here really a cultural or attitudinal stereotype situation as to how managers think about part-time employment. It is not that part-time employees are less productive; no, they are probably more productive. It is not that they are less committed, less loyal; you have heard reports stating the opposite is true. Employers do not doubt those kinds of reports; you do not get any argument from employers about loyalty, commitment, dedication, quality of work, all of that is okay.

The difference is that part-time employees are different. How different would you say? What constitutes this difference? If there is any way to specify that difference, I would say it is that employers believe that part-time employees are not career-

oriented. They are not going to be there forever. They are not looking forward to the same kind of future in the company as full-time employees are looking forward to. That is the difference. Of course, there is a perfectly good factual basis behind that stereotype as there is with most stereotypes. Obviously if you work half time you cannot do as much and learn as much on the job as if you work full time. So clearly you cannot advance in a career as fast, and that matters to a company.

How do you combat these cultural stereotypes? Many of you have had personal experiences in confronting these stereotypes. You have answers to that in your own cases. I am going to suggest that job sharing or job splitting, as it is called in Britain, is a very promising way to go. That's what I want to say a word about now; the case of job splitting in Britain.

Beginning in January 1983, a job-splitting (that is the word they use instead of job sharing but it means the same thing exactly) scheme came into effect, legislated by Parliament. (Can you imagine that happening in the U.S. Congress?) The British Government has been buying full-page advertisements in the newspapers to companies how they can be better off if they have job splitting instead of full-time employment. The central government also is putting out literature about the job-splitting scheme, under which it pays each employer a one-time only sum of 750 pounds (at today's exchange rates a little under $1,200) if that company will take one full-time job and convert it into two half-time jobs as long as one of those half-time job-splitters is someone who comes off the unemployment rolls, or is under redundancy notice. Redundancy means that the job itself is going to be ended soon.

Now you see this actually is not any scheme to boost part-time employment after all; it is a scheme to reduce unemployment, but at least the idea is not a half-bad one. You can work on a macro-economic and social problem, unemployment, in ways other than paying people while they are not employed. You can pay companies to pick them off unemployment rolls, not a bad idea. The government in Britain wanted to get about 50,000 of these job-splitters going. There are three million unemployed in Britain so you know it is a drop in the bucket, but not more than that.

How is it going? As of August 1983, the answer is not well at all -- too early to say it is a failure because there is until March 1984 when the payments stop. What has gone wrong, or at least what has prevented this from being an obvious success already? First, 750 pounds is not enough to make much difference to an employer. How did the government decide on a payment of 750 pounds anyhow? It is the number that balances unemployment compensation savings with job-splitting payments. So the government really sees this as a self-financing scheme. But the first reason is the amount of payment is too small; it does not matter to companies.

Second: You know that job splitting is complicated. It takes three agents, a company and two workers, not a company and one worker. It takes a long time to get it going. So maybe the numbers will come out. As of August 1983, the numbers of job-splitters were 500, not nearly 50,000. Why is it not moving along quickly? Another reason is that labor unions do not like it because it is possible, not necessary, that these job-splitters would lose some employment protection rights. Womens' groups do not like it because it is possible that many married women would not be eligible to participate, not that womens' groups amount to much in Britain anyway, compared to this country, but at least there is a missing source of support. Finally, full-time employees do not want to cut back and make room for split-job employees because there are no guarantees that the full-timer cutting back to half time will ever be able to return to full time. Of course, the example of Santa Clara County in California, which is the success story I believe, shows the importance of that right to'go back and forth if you choose.

So I guess the lesson of that British job-splitting scheme is that it is a brilliant idea which, like many other schemes that have gone before, flounders because of poor implementation. Thank you.

PRESENTATION OF DR. SARA WAGNER

JWK INTERNATIONAL

I would like to explain briefly, for the benefit of the few of you who may not know, what consulting firms do in the Washington, D.C. area. We are known as government studies firms, personal service firms, research and development firms, and occasionally by that very flattering term "Beltway Bandits", a term that I must say, I sometimes find myself resenting. The kinds of work that our small firm does (we currently have about 250 members having grown from 13 when I joined them eight years ago), includes conference management, report preparation, development of training materials and provision of training, survey administration and analysis, evaluation of Federal programs, production of military supplies and conducting pure research. The consulting firms around the Washington, D.C. beltway for the most part are not too heavily involved in pure research work. Such work most often is relegated to non-profit firms and to university research centers and appropriately so.

You might ask: "Why does the government turn outside for work of the type that you mention?" I think the answer is simple, and I think it is logical. The government turns to us for highly specialized services. They turn to us to supplement

staff. They turn to us because our services are for the most part cost effective. As I mentioned before, our government assignments for the most part are short-term assignments. When we are finished, the government is no longer obliged to keep anyone from JWK working on its staff; they are free to turn to someone else for the next task that comes along.

I think you might be more interested in hearing about the characteristics of working at a firm like JWK. Let me talk about some of the good points first, because it is not all a rosy picture. The work is varied, and I think that is one of the pluses of working at a consultant firm. Our assignments are most often for one year. Frequently we have assignments that are of very short duration. On one particular contract we have some assignments that are for as short a term as one week. I want to talk to you a little more about that particular assignment because it is the one that will appeal to most of you who are looking for part-time professional employment.

The staff members at JWK, as I am sure is true of those at the other firms that are represented in this room, are people who have a wide range of skills. They have above average ability, and they are exceptionally well educated. Of the 18 people who are working for me directly at the time, all but one has finished course work for a doctorate; most hold other graduate degrees; and most are young. The typical person at our firm is approximately 30 years old. If you were to come to work for JWK you would be welcome; there is no discrimination against women; we have no union restrictions; no one in the firm belongs to a union of any kind. And at firms like ours there are opportunities for full-time work later on if you should so desire. There is no age discrimination. I think we are fortunate because the owner is an Oriental who looks upon older people as having acquired experience that could be very useful.

Now let us look at the other side of the coin. Work at a consultant firm is very demanding. I recently responded to a request for a proposal from an organization in New York State where they were going to give us two weeks to prepare some training materials. Then they were going to take three weeks to review the draft and later give us one week in which to make our changes. They would then take two additional weeks to let us know whether or not the final products were acceptable. So you see we are used to working at a little faster pace than some other people. Because of the fact that we do have to work fast there is little time for collegial discussion. You will not see people sitting around our offices holding pleasant chats; they are usually very busy working. As a matter of fact, staff members are so busy working that they often find it very difficult to find time to take a vacation. There is no good time for vacation if you are working for a consultant firm.

When I am interviewing new people I always tell them that this is not a 9:00 a.m. to 5:00 p.m. establishment; I do not mean

that this is true because we start at 8:30 a.m. In the summer when the government is requesting outside assistance, we often find ourselves working almost around the clock. It is a demanding kind of work, particularly in the summer time. That, of course, is when we are in need of part-time professionals.

You might wonder where the part-time professional fits in an establishment like ours. I mentioned the summer because it is at that time that we most often respond to Federal requests for proposals (RFP's). A part-time professional is a very appropriate person to assist us in completing literature searches, particularly if the literature relates to a specialty area. We frequently have a need to call in subject-matter specialists. This is particularly true on some of the work related to technical areas or to the military. If you have a sophisticated technical skill you probably have been contacted by one of the consulting firms within the last year. We constantly have a need for good editors and proofreaders. We seldom have a need for analysts because the analytical work is planned at the time that the project is designed, and we maintain full-time analysts on our staff. We do use junior-level professionals, however, for inputting data.

We have in-house at the present time a couple of contracts that are called indefinite quantity contracts. One big contract that we have of that type is with the Office of Personnel Management (OPM) which happens to be in charge of training for the other government agencies. They cannot do all phases of the training that is requested in-house. Last year they advertised for firms that would be interested in assisting them with this particular assignment. We responded and were awarded one of the five contracts that they had for training. We are responsible for developing and preparing materials, whether on slide tape, on videodisc, on videotape, or in a self-instructional, hard copy format. OPM will get a call from some agency that needs assistance, then call me in and ask if we would be interested in assisting with that project. I find people who can help with it, and often within a matter of two or three days we are at work on that particular assignment. Obviously we cannot keep a range of people with special talents on our staff who will be busy this week and have nothing to do next week. It is on that particular contract that there is a good place for part-time professionals.

How can you go about finding consulting firms that need this kind of help? There are two good ways. First there is word of mouth. Talk to your friends, let them know that you are available, and let the word get back to us. Second, watch your Association of Part-Time Professional's newsletter because as word of your association gets out, I am sure that you will see more and more requests for assistance in the newsletter. I will be available this afternoon to speak with any of you who think that you have talents and skills that I might be able to use. Thank you very much.

PRESENTATION BY PAUL JONES

CONTROL DATA CORPORATION

I am going to talk today about a couple of different topics. First, I will give you a little bit of history about Control Data, then tell you about how we are organized, and finally discuss our experiences with what we refer to as "supplemental employees."

Control Data was founded about 26 years ago in Minnesota. The intent of the company at that time was to manufacture and market large-scale computers to the military. Since that time the company has grown to over 56,000 employees, and we are a world-wide company with gross revenues of four billion plus. Presently, the company is split into two major organizational units. We have a computer products organization which manufactures and sells the large-scale computers. We also are into the information or data services business where we provide computer time-sharing, and own subsidiary companies, e.g., Ticketron and Arbitron. In addition, the products unit is into computer peripheral areas where we are manufacturing and marketing plug-compatible computer equipment. Our other business is in the financial services area. Commercial Credit Corporation is the major financial subsidiary of Control Data. Our business is both government and commercial.

I work out of the Washington area office which is part of the Eastern Region. Currently in our region we have approximately 5,200 employees of which a great number are "supplementals." In the local Baltimore-Washington area we have approximately 1,000 people with 75 - 100 "supplemental employees." The positions that we typically recruit and hire for within the immediate area are somewhat restricted, in the area of sales and marketing of our products. We have a software consulting organization where we hire system analysts, programmer analysts, and engineers. We have an education organization, Control Data Institute, where we hire instructors to teach students the art of programming and computer technology. We have some administrative areas, specifically personnel, and facilities administration also.

As I said previously, we do hire "supplemental employees." We use the term "supplemental" because we feel that when we hire these people, they are really hired to do about the same things that the full-time employees are doing. The numbers are small because we leave it up to a department manager to determine whether or not he or she has a need for job sharing. Since Control Data is considered a high-tech company, the requirements

that one must have to do these jobs can be very specific, i.e., a computer science background or an engineering background.

Like other companies, Control Data has not been providing company paid benefits to our supplemental employees. Beginning in 1984, the company will be providing such benefits to employees -- health, dental, life insurance, sick leave, and other benefits that are afforded full-time employees. Our general philosophy is that since we have these people working with full-time people, doing similar things, we need to do something about benefits. Some of the other policies are that we will allow these people to work up to 32 hours per week.

I mentioned in the Baltimore/Washington area we have 75 - 100 supplemental employees. For the most part, they are clericals. However, we do have a contingent of systems analysts, programmers, and field engineers. For recruiting strategy, we found that it is hard to recruit supplemental employees. We go through the typical advertisement and local newspapers, etc. We find that people want full-time jobs. It is hard to put together a recruiting strategy for these people because at present, we are not providing any types of company benefits. What we can do is provide them with a salary that is equitable to our full-time people. We basically convert it to an hourly rate.

When we hire a supplemental person, he or she wants to be identified with the full-time work force. They share an office with the full-time employee; they attend communication meetings as full-time employees do, and we give them a certain comfort level. The company's philosophy will still be to hire people in this capacity, to have people supplement the full-time work force as we move forward. Thank you.

PRESENTATION OF KATHERINE TIPPETT

FAMILY ECONOMICS RESEARCH GROUP
U.S. DEPARTMENT OF AGRICULTURE

I have been asked to talk from two different perspectives, that of supervising part-time employees and that of being a part-time supervisor. Let me begin by telling you a bit about my office because I know that the world of my office is perhaps not quite the world as some of you see it. While my office may not be representative of other offices, there are a certain number of similarities, enough so that I feel that I can make some generalizations about part-time employees. My office does social science research; it is an office where we hire scientists and support scientists. We are much more interested in the quality of work than we are in the quantity. That is not to say quantity is not important, but we are looking for the overall pattern of quality

of a person's work. The staff is also entirely female. Most of the professionals are trained in home economics and, therefore, have both a professional and a personal interest in seeing that part-time work and family life go together; in other words they want to make it work and they do make it work.

My experience with part-time work goes back to 1972 when I was a full-time employee and supervised two employees, one full time and one part time. In 1974 I added some family responsibilities and dropped to part-time work. I also dropped some of my work responsibilities. In 1979, I was promoted to a higher-level position, but I retained my part-time status, again dropping some of the full-time responsibilities that my predecessor had. I am currently responsible for a research program related to family use of resources. The staff numbers about 14. Five or six professionals are part time and we have two part-time technicians. The most common part-time schedule is four days a week although several employees work 20 to 25 hours and I work approximately 24 hours a week.

What does my experience tell me about part-time employees? I am not going to say anything that is new to those of you who work part time. You know it. You experience it. But let me tell you anyway. First, I find that there is no difference in level of commitment between part-time and full-time employees. People who are committed to their jobs will be committed whether they are part time or full time. Many part-time employees are career-oriented. They may at some time in the future desire to work full time; usually they are part time because they have family responsibilities. Basically a person's involvement with a job has very little to do with the number of hours that he or she works, and more to do with how he or she feels about the job.

Second, the thing that I look for when I am hiring personnel, and this is true regardless of whether I am hiring part-time or full-time personnel, is the level of responsibility that a person is willing to take on. I am looking for employees who are willing to take on responsibility and to get the job done. I should stress the "and willing" because I have known both part-time and full-time people who are able to take on higher levels of responsibiility, but who do not wish to do so. When I hire I am not looking for whether they want to work full time or part time; I want to know what their commitment is and whether they are willing to get the job done.

Third, I found that part-time personnel are rarely resented by full-time personnel. The type of research we do depends on creativity and generation of ideas. With a large part-time staff we have more people for group discussions. We generate more ideas. Collectively we have more talent. Fourth, I have observed that part-time employees committed to the job are very efficient and productive. You all know this. The saying that work expands to fill the time allotted is undoubtedly true. Many workers work better and more efficiently the less time there is

to accomplish the task. Lastly, my experience tells me that the atmosphere of an office is a major contribution to high productivity and high morale. I believe that the freedom of personnel to change their schedules as their needs dictate helps to create a staff that is highly motivated on the job. My policy has been to allow personnel to schedule and deviate from that schedule whenever it is needed, as long as they document the changes and as long as those changes are consistent with agency regulations. I believe this policy has paid off.

Let me tell you a little story about a personnel manager who came to my office recently. The man wanted to know how I got all the work done with all those part-time workers. I told him I really had no problem. His next comment was that one reason he had chosen my office to review was my office's reputation for high morale and high productivity. He apparently did not understand that productivity may depend in great part on something other than the number of hours worked.

I should mention briefly just a few problems of having a large part-time staff. Sometimes it is difficult to arrange meetings. Tuesday morning is the only time we can get everybody together. Another problem is when part-time professionals are expected to be at meetings that are outside their work hours. We generally just cope with this. Occasionally a full-timer will step in, or another part-timer. There are alot of trade-offs that are made here. We are also on flexitime. It means people can choose any time to work between 7:00 a.m. and 5:30 p.m. I have alot of trouble covering the phones after 3:30 in the afternoon. The full-timers all want to work from 7:00 a.m. to 3:30 p.m.; it is not only the part-timers. Flexitime is a problem in a small office, and part time adds to that problem, but we work around it.

I asked a friend who also supervises part-time employees what she thought. She agreed with me that in general part-time employees are productive. She said, however, she is in an office where they are constantly getting calls from Congress and the press; they must have somebody covering those phones all the time. But other than that she was very positive towards part-timers. Using part-timers depends on whether the job requires the person to be there to make responses on the telephone or to other people.

Just briefly, let me talk about my experience working part time and supervising an office of 14 people. My experience has been good and it may or may not be unusual; it certainly is very different from that of my husband who works two part-time jobs. The difference is that my job is tailored to the amount of time that I have available. Most of my deadlines I know weeks or months ahead of time. My husband works with people who are sick and people do not wait. He is also in a job where he is really expected to do a full-time job on a part-time basis. This is not a happy situation for anybody in any job.

Both times that I have been promoted when I was part time, I have moved up by making it very clear to my supervisor that I would accept the level of responsibility that was expected; and do what I was supposed to do full time, but I would not do the number of tasks that my predecessor had done. For example, my predecessor who was full time traveled frequently and did alot of international work representing the group or the department at meetings. I cut alot of that out; I have gotten other scientists in the group to take over some of that responsibility. In effect, it lowers my profile and raises theirs, giving them more visibility and a higher level of responsibility than they might otherwise obtain. It is a procedure that has worked very well. Because I seldom travel, I am generally more available to staff than was my full-time predecessor who traveled all the time. When I am not in the office a full-time scientist is available to answer questions or make decisions. But this is no different from an office which has a full-time leader where the leader is away at meetings or whatever. Somebody is there to cover the office.

In conclusion let me urge those of you who are seeking part-time employment to be sure that the job you want is compatible with part time. I do not think the level of responsibility matters or the pressure; I think you do not want to get a job where they really are expecting you to work full time and do that amount of work on a part-time schedule. Let me urge the employers who are here to structure jobs at a higher level of responsibility so that the person who wants to work part time using higher level skills can find that kind of work. Thank you.

PRESENTATION BY HELEN AXEL

WORK AND FAMILY INFORMATION CENTER
THE CONFERENCE BOARD

I can avoid talking about changes in labor force demographics, which have been examined by several of my predecessors this morning. However, the times may be beneficial for continued growth in part-time work for some others reasons, too. One, described in some detail by Tom Plewes earlier, is the shift from manufacturing to service kinds of jobs, where extended workdays and peak-load work situations make part-time work commonplace.

Other reasons relate to changes in the nature of industry itself and some other aspects of its environment. Because these changes disturb traditional patterns of doing business, they encourage a climate for innovative planning that seeks to make optimum use of human and other resources. I like to think of these characteristics as fours "D's" (five, if you count

demographics)--decentralization, diversification, deregulation, and downsizing.

Decentralization and diversification describe trends in corporate organization that have been under way for some time. The current merger fever, however, is speeding up the process. Companies that move into new businesses are becoming organizationally more decentralized and diversified. Both encourage a flexible approach to management that assumes more local autonomy in decision-making. Rigid corporate policies are becoming obsolete. Deregulation is producing profound changes in the transportation, financial services, and telecommunications industries, by requiring these once heavily regulated businesses to become more market responsive, and more competitive. These, and industries that were hard-hit by the recent recession, have responded by trimming their work forces -- "downsizing." In all instances, the organization becomes more responsive to internal and external demands.

During the past several years, The Conference Board has been examining changes in corporate personnel policies and practices, including part-time employment. We have been looking at programs that might be considered beneficial in alleviating conflicts that occur in work and family relationships. That project is now nearing completion, and will be published as a Conference Board report within the next few months.

The investigation has identified some particular characteristics of companies that are likely to be concerned with these issues. These can be summarized as:

- Companies that employ a high percentage of women. In these firms, women have more opportunity to move into upper levels of management where they can effect change. Women in management positions who are feeling pressures within their own work lives are likely to be more sympathetic to experimentation. And changes that occur at these levels tend to permeate down through the ranks.

- Companies with a relatively young work force. These firms tend to be more innovative because they represent more demographic variety, and have more employees with family responsibilities.

- Companies that are largely or entirely nonunion. The traditional adversarial relationship between labor and management can act as a barrier to change. There are, of course, unions that are concerned with innovative work arrangements.

- Companies in high-tech, high-growth industries -- the Control Datas and Hewlett-Packards, for example. They are competing for special skills and must be willing to make accommodations for these reasons.

- Companies that market a majority of their products to consumers, and that can identify their employees as customers. These firms may be more immediately responsive to their employee/customer population.

- Companies that have a "social conscience." When these firms are active in the community, they are really concerned with an extended employee population. What they do on the outside, they tend to mirror in their own actions within the company. This activity is reinforced in "progressive" communities where social action is the norm.

The above characteristics are not predictors of change; they are merely indicators. However, a company that combines a number of these features is likely to be one that is more responsive to change than one that exhibits only one or two.

Now for some observations about professional part-time employment as it now exists. The structural issues and company characteristics, just mentioned, may remove some of the existing impediments:

The first is that professional part-timers are not at all prevalent in the regular work forces of corporations. However, as I see it, there is a growing tendency to regard part-time work, on a professional level, as an acceptable practice, rather than as a grudging accommodation.

A second point, not mentioned by any of the previous speakers, is that very few corporations actually recruit part-time professional workers. More frequently, a company management will make an adjustment for a former full-time employee who, for whatever reason, wishes to work a reduced schedule. In other words, the company tends to consider a part-time (or job-sharing) arrangement only for a full-time employee who has a valuable skill and a proven record of good job performance. Very few firms will go out of their way to recruit part-time workers into their regular work forces -- at a professional level -- from outside the company.

A third observation is that the benefits issue is still perceived by corporations as a major stumbling block for part-time workers. In the case of a permanent employee who has reduced work hours, various benefits can be negotiated on a pro-rated basis. Part-timers will generally retain vacation allowances and holidays, depending on the amount of time they work. Health care is the one benefit that is usually not available to part-time workers, particularly in firms that have a sizeable number of part-timers in their work forces. Companies emphasize the cost aspects.

Summarizing my comments, companies appear more receptive to part-time work because women have moved into management positions, or into personnel departments, where they can effect change. And more jobs lend themselves to off-beat schedules -- project-oriented work, research, computer operations, and other professional service activities. Many of these jobs require little interaction with others, so that a reduced work schedule can be maintained.

In the restructuring of the industrial work force, including permanent work force reductions, opportunities for part-time work seem promising. If you are entrepreneurial by nature, corporations are looking for people to fill certain assignments on a needs basis. And, if you can start by working full time, and prove yourself, you may be able to negotiate a reduced-hour schedule. Once the practice becomes more prevalent, I believe that part-timers will become more accepted and better compensated.

CHANGING NEGATIVE ATTITUDES

LUNCHEON ADDRESS BY THE HONORABLE PATRICIA SCHROEDER
U.S. HOUSE OF REPRESENTATIVES

Thank you all very, very much. It is delightful to be here to talk about an issue that I have cared about for a long time. I am frustrated not to see more progress, as I am sure many of you are too. Part of my job today is to talk about this problem, but also to talk about what we can do to try to bring the rest of the world along with us. We want to see more progress on part-time employment by the next time we all get together.

I suppose part of the reason that I cared alot about this issue is that I went to Harvard Law School back when there were few women there. I kept being asked: "Do you realize that you are taking a slot from a man and you will never use it?" Having that guilt drummed in my head, it was difficult to find ways to use it and retain my sanity at the same time. Employers were not even sure they wanted to have a woman work full time, much less part time. The classic question by most of the employers in the legal profession in Denver was: "Well, that's nice you have the degree, but do you type?" I mention this to show that we have moved forward a little bit, so that we will not get too awfully discouraged.

. Now, if you look at the part-time area, when we started holding hearings on my bill, which finally passed in 1978, we heard the usual objections. We were trying to get the Federal Government to recognize part-time employment as a legitimate form of work and to be a role model to employers. We discovered one problem is finding supervisors who wanted to make it work and were willing to hire part-timers. In spite of some opposition, Congress did enact the Federal Employees Part-Time Career Employment Act. Since then 10,000 more part-time jobs have been created. I am here to say there is good reason to push part-time employment at state government levels, at Federal government levels, and in the private sector. The word gets out that it is possible, but you still have to work on employer attitudes. We could have had many more part-time jobs, but let us be honest, we are dealing with negative attitudes that affect part-time jobs.

Let me share some of the issues we are facing and where I think we are coming from. I also sit on the Armed Services Committee. One of the things that I worry about in Armed Services is the treatment of families -- day care on bases, families which move frequently, housing, and jobs for spouses who want to work. I do not think there is an officer in the U.S. military that does not understand that those things are terribly important to the morale of the troops. And yet officers do not get a lot of points for pushing those things. There is something in our society that says that if you have stripes and bars and stars all over you, you are not to say: "The real problem on this base is day care." If you did, people would ask you to repeat it to see if they heard it right the first time. There just is no

incentive to tackle the day care issue or to make slots available for spouses who have been transferred, uprooted, and who want to keep working. These are not the things you are supposed to ask for. You are supposed to be into tanks and guns and all those kinds of things. They think you have lace on your shorts if you bring up family issues, so officers may be worried about it, but they will not mention it. What always happens to me is that I corner them to ask what their real problems are. They begin to hem and haw, so I know we are getting close. I ask them again, what their problems are. About the fourth time they will finally say that it is housing or day care, or whatever it is. Then I ask if they will please come and testify and they say "No." I tell them: "But, if I go back to the Committee and say someone told me this, without proof, my colleagues will say: 'There goes that idiot Schroeder again. All she ever talks about is day care.'"

Another big problem is that part time has been isolated as a woman's issue. Until we face that head on, even if we talk till we are purple, we are not going to see alot of things done. We can legislate and do other things that will produce some gains. We really have to tackle the attitudes of society toward alternative work schedules -- part time, flexitime and short-time-compensation as alternatives to layoffs. Part time is not just an issue for young mothers. The first thing that some people will say about part time is that mothers really should be at home anyway. They think that if they go out and try to help them, they are just encouraging mothers to be away from the home. They are not sure they want to engage in that kind of activity. So that is the first thing you are up against. Now, if you look at the statistics, you will find that there is a phenomenal variety of people interested in part time that are not just young mothers trying to figure out how to break out from home for a few hours a day. It is that mind set that causes most people to jump to the conclusion that it is just a woman's issue. There are also elderly people, people with health problems, people who want to go back to college and learn more to expand their horizons who want part-time work. There is a variety of people with as many different reasons as there are people. There are also people who have children, and they need part-time work too, but parents are not the only people in America interested in part-time employment. You have to deal with the mind set because you are dealing with a much broader range of the population than just young mothers.

The next problem you find is that some employers hire people for less than 20 hours a week to avoid paying them fringe benefits. Unions tend to be skeptical about part-time employees. They do not want them exploited, but also do not feel like they are part of the real work force. They think if they do not join the union, it is going to cause trouble in the unit. Moreover, unions think employers use part-timers as a cheap form of labor, a kind of body shop with second class workers whom they do not have to pay as much as 40 hour workers. There is also the notion in society that part-timers are not as professional as full-time

workers. I am delighted that you use the word "professional" over and over again. You are certainly not pushing hard for more second class types of jobs; you are talking about jobs that are professional. But you have to deal with stigmas against part time that are floating around.

There is another factor to be considered. When unemployment is high people say: "We can get enough full-time employees anyway, so why should we worry about part-timers?" Part of the reason they should worry about part time is because of its job creation potential. There are state surveys that show that there is a percentage of people in any full-time labor force who prefer to job share or work part time. They are in the full-time job only because they cannot find a part-time position. Therefore, if you permit them to work part time because they prefer it, you have solved some of your unemployment problem by opening up slots for other workers. Part time obviously does not solve all of the unemployment problems, but if you expand part-time employment, you certainly can make slots available for more workers. It is important to underline that you are not mandating part time. You are only permitting full-time workers to reduce their work hours. The unions fear any approach that converts everybody into part-time jobs. You are not mandating it. You are making it optional to the worker.

Another attitudinal problem goes back to the old mind set that the supervisor must be in the same room to watch the employee he or she supervises. He must know what they are doing; she must know what they are doing -- the supervisor must be constantly present. It is an old notion that we see in the Charlie Chaplin movies. Everybody has to stand and watch what everybody else is doing. But it really is not relevant to today's world. More and more your good supervisor is task-oriented, identifies the task and expresses concern that the task is done and is done well. This is the issue, not that supervisors are standing there and watching. If the employees are good they will be self motivated and will complete the task on their own. The sign of a good supervisor is that they motivate their people to become self starters.

We have such a wide range of stigmas against part time in our society we need to figure out how to remove them. How do we do it? In the Congress it took us from 1972, my first year in Congress, until 1977 to get a Congresswoman's Caucus organized. After we had the Caucus organized we could meet in a phone booth because there were so few of us. We could only act if there was unanimous consent and you know what that is like. When I became co-chair I said no more unanimous consent. We ought to be mature enough to deal with this. We instantly lost half the women which meant we were down to ten members. Ten people in a body of 435 does not give you a whole lot of voting power so we had to decide what to do next. It was like Betty Freidan's second stage. We decided there was absolutely nothing wrong with asking males to join who had a 100 percent voting record on womens' issues.

Instantly we grew from ten to 145. We are now the biggest caucus on the Hill. We decided that it should not be just white men and women either. We did not want to get pitted against Blacks and Hispanics so we decided that we would work constantly with the Hispanic and Black Caucus. We are like triplets. We cooperate and it gives us a much broader base in all of the committees to ask questions about funding, research, and implementation of policy. I think this is the kind of mode you need in society. You are going to see men and women of all ages work to expand part-time employment. We must say: "The time has come and it makes an inordinate amount of sense." We have to broaden the base of people pushing for part time. This could involve writing letters to the editor, putting task forces together to talk to television and radio managers to show them what is going on in the community when you see a good model. You must open people's eyes to the different actions that can be taken.

There is another way that I think you can broaden the base for the part-time issue. We must deal with how technology is changing our lives. To go back to my own personal situation, when I had my first child, I tried to practice law at home. I want to tell you, it was a nightmare. You are typing and the phone starts ringing, you get peanut butter and jelly on the paper, somebody comes to the front door and the child is screaming in the back room. You think: "I'm going to lose my sanity any minute now." Obviously, I did not have a full law library at home which was another difficulty.

That is different today because of the equipment we have. Perhaps it is the equipment salesmen who are going to have to explain to the employers how advantageous it is to have more part-time employment. What do I mean by that? Now I have a computer terminal in my house. With a little telephone I can dial a number which does all sorts of legal research, which comes out in my house. The little terminal has a printer so that I can type something on it. When I get it perfect, I push the button and go down to do the laundry while it prints it. I can also be wired to another office so that they can see everything I am doing. I can have a little beeper so that people can run me down anywhere in this whole city inside the beltway. Unfortunately some days I get very tired of it. This eliminates the problems of employers who say: "We need you but we cannot find you." All of us, unfortunately, can be reached by those bloody beepers. Now you do not have to sit by the telephone 24 hours a day. They can reach you anytime an emergency comes up. The kind of equipment we have today provides greater flexibility. When you see more and more offices moving to that type of equipment, there is less need for us all to be in the same room breathing the same air eight hours a day. We can work better with that type of machinery and we are going to see much more use of it.

The world has changed so much since 1978 when we enacted our part-time bill. I hope employers, as they invest in equipment, understand how critical the utilization of part-time employees

could be and how equipment can help them work better to do research, writing, law. There are a zillion things which you can do just about anywhere. There is nothing sacrosant about doing it at a gray metal desk, in a small monastic type of cubicle. You can do your job in a lot of different places that would work just as well. That is the big change. It requires looking at people's life styles to find how and where people work best. We know that every one of us does not wake up at 7:00 a.m., ready to go to work at 8:00 a.m., or come home at 6:00 p.m. to have dinner. We are really not machines. Some of us work better in the morning; some work better in the afternoon; some work better at 3:00 in the morning. We all have our own different little clocks and we all have different demands in our life.

There may be some places where it is more difficult. If you are working on a line it is a little harder to have some workers come in at 3:00 a.m., and the others come in at another time. We understand that. But more and more jobs in America are not only in smoke stack America and the manufacturing sector. Many jobs are found in information gathering, data processing, computer types of operations, research. Combining part-time work with the new equipment and technology makes a great deal of sense.

It also is good sense for employers to determine the increase in productivity that comes from part-time employment. We talk about morale issues in the military, morale is just as serious in corporate America. It improves when people figure that they do have some alternatives, choices and options, and that it helps employers to save money. If you suddenly have a crunch but have part-time employees, you can pay them to work more hours but you do not have to pay the overtime until they work more than 40 hours a week. Look at what happens to the Postal Service. They do not want to hire more part-time people in October and November when Christmas mail increases. Regular workers are already working 40 hour weeks. I know this very well because my switchboard starts lighting up in Denver. I know when the Christmas mail starts because the Postal Service starts ordering people to stay three hours later and the babysitters think they are coming home at 5:00 p.m. How can their supervisors do that? What are they going to do when the babysitters have other plans after 5:00 p.m.? This goes on and on. But at the same time, the meter is running up overtime pay for full-time workers who are required to work overtime.

All of these things make an incredible amount of sense. The stigmas that we first talked about are the major hindrance to increased part-time hiring. If it were not for the stigmas we would not have to have this conference. I think employers would be hiring part-timers. If you add up all the pluses and negatives, the negatives boil down to this: "But this is the way we always did it before, and we do not want to learn something new." That is the main objection because you can answer the other objections with all the positive impacts. Why haven't we used part-timers on a much bigger scale? I think it is because in

corporate America, in the military, they push for more gyms for the employees, a hot tub, or more parking lots, or a nicer dining room, with tablecloths. They understand those things, but when it comes to any kind of flexibility in the work place for employees especially if it is tied to little kids and mothers, the stigma against it is there. People do not push part time and it does not move. It is the same with day care. Day care has not moved very far in the corporate sector. I go into major corporations in Denver with new gyms and clean towels, a physical fitness test and every kind of equipment you have ever seen, but they do not have day care. I have to say to myself: "Why?"

We must take on society's lack of concern and that mind set against part time. Because even if we pass legislation, it will not be implemented unless the stigma is removed. It is very easy with computers to solve questions about pro-rating benefits now that personnel data are on computers. Those kinds of things are ten times simpler now than they ever were before. It is possible to refute all the problems that have been raised, except for the negative mind set. That is what we are up against and that is my message today. You ought to go out of your workshops today, and figure how to deal with the mind set. How do we create a real spirit in our local communities to get people to start taking about family issues as much as they talk about physical fitness. If they want to get all their executives to jog, why not talk about executives who want to work part time. We need to balance both sides. If we do not, we really have not dealt with the real problem. The real problem is our Norman Rockwell painting view of the world, which is not how the world is today. Everything has changed but the work place. I can give you citation after citation about how many women are now working, how many have children under six, etc. But you all know that. Women are not going home because they cannot go home. If they go home, they will repossess the house because there will not be anyone there to pay for the home. The reality of the world is that they are working not because they are bored, but because they have to. We are pretending that they are working because they want something to do, but that is frivolous. We had better be concerned because it is the future generations that we are talking about. That is the real mission before us. I compliment you on your vision.

Profits, Productivity and Part Timers
Presentation by Gail Rosenberg
National Council for Alternative Work Patterns

I heard a radio interview about the National Symphony Orchestra and its tour of the Far East. The general manager was talking about how successful the tour had been. At the beginning of the tour, there was a substantial problem: the chairs were too small for the American musicians! Apparently, the tour organizers hadn't considered the size difference between the Japanese and the Americans. Eventually, they obtained some chairs in which the musicians could comfortably play their instruments. When I heard that story, I thought about how well it applied to part-time scheduling. For managers and workers to be comfortable with nonstandard work schedules, the arrangements have to fit the needs of both companies and employees.

The variety of programs set up by companies shows how reduced work hours meet different needs. One company facing a skill shortage starts a part-time program to attract professional workers who would like to have the summer off. A company with a long-standing commitment to its older workers finds a way to respond to its retirees as well as community needs. It offers a post-retirement program in which retired employees are rehired on a temporary basis. Another company looks at job sharing as a way of offering senior, full-time workers a chance to reduce hours for personal reasons and also to avoid layoffs and save money for the company. One firm permits the use of part time by new parents, but these employees are not allowed to be managers while they work part time. In contrast, another company offers part time only to managers approaching retirement; during the phasing period, participating managers train their successors.

Before going into detail about these programs, I would like to briefly touch on two points: first, the need to be clear about the terms we use, and second, the importance of debunking the myth of the indispensability of full-time workers.

Part-time is often viewed by employers as "half-time." I recall asking about professional part-time use at one major company. The response was, "No, we don't have any professional level employees working part time. But we do have a number who work 30 hours." Part time does not have to be half-time; it could be 60 percent time -- or even 80 percent time. A narrow definition of part time may in fact contribute to limiting its use. For example, a manager may find it easier to accommodate a request for part time if the employee is to work a four day week, rather than a two and one-half day week. I prefer to use the term "reduced work hour arrangements," which includes permanent part time, job sharing, sabbaticals, phased retirement, and even worksharing, in which an entire workforce (or a unit within the workforce) temporarily works reduced hours in order to prevent or

minimize layoffs during a period of economic downturn. My comments today address a variety of reduced work hour arrangements.

In developing our book Work Sharing Case Studies, the National Council interviewed managers of American firms identified as having reduced work hour programs. We were struck by the comments of a vice president of Rolm Corporation, a high-tech company headquartered in Silicon Valley. The firm offers a 12-week, fully paid personal growth leave, or sabbatical, to employees with six years' service. The vice president noted that in addition to the important benefit of avoiding employee burnout by allowing employees to refresh themselves, there is some cross training that benefits the company and co-workers. The fact that the firm functions without highly skilled workers while they take leave has also destroyed the myth of indispensability. The firm looks at this as a real plus for the company.

While researching the use of phased retirement in European firms, the National Council found that European managers feel a strong obligation to ease their workers into retirement. At the same time, they look on the phasing down as a chance for the firm to adjust to the loss of its workers. As the personnel manager of one manufacturing firm said: "The company must learn to live without that individual who is retiring, and the employee must learn to live without work."

I'll highlight a few reduced work hour programs that have been started in this country and in Europe and suggest how they meet the dual needs of workers and companies.

Last fall, a major high-tech firm developed a special part-time approach for engineers and programmers. Technical employees in certain categories work for the company between September and May and then take the summer off. The jobs terminate in May, but if work is available and performance has been satisfactory, the individuals are invited back in the fall. The program was designed to overcome skill shortages and is currently being evaluated.

Another development in reduced work hour programs is company-sponsored job bank programs, in which firms rehire retired employees, usually on a temporary basis. These post-retirement arrangements have been used by companies, especially in banking and finance, that have large numbers of clerical workers and rely heavily on temporary agencies. The programs save employment agency costs. But, perhaps even more important, they eliminate the time and money necessary to train temporary workers, since the retirees are familiar with company operations. For the retirees, the program provides supplemental income, fills a need for continued activity, and still allows for leisure time. Pioneering this program are the Travelers Insurance Companies, Bankers Life and Casualty Company and Connecticut Mutual Life Insurance Company.

I have seen some increase in the use of permanent part time options, more often in practice than in formal policies. Many companies say they are evaluating policies because they anticipate more demand for part time. One company that has changed its policy is Playboy Enterprises. When Christie Hefner started directing the company, she wanted to do something to help female employees. She started with flexitime and the company now has a permanent part-time program with full medical and dental coverage and prorated vacations and holidays.

A major New York bank permits employees at all levels to reduce their work hours to meet child care or other responsibilities, with the limitation that managers who choose to work part time must switch to non-managerial positions. One female vice president, in charge of a group and supervising 20 people, decided she wanted to work part time after the birth of her first child. In accordance with company policy, she had to give up her managerial position, but she was put in charge of a project with some staff and a secretary. (Profit sharing, life insurance, and all other benefits continued for her on a pro-rated basis.)

One form of permanent part time that is getting more consideration is job sharing. Access to a talented pool of applicants is one reason for a firms consider job sharing. Other companies look at job sharing in order to preserve jobs. Sometimes, a program will save jobs even though that is not the primary intent. Pan American World Airways and the Independent Union of Flight Attendants signed a contract last year to test a program called "Semi-Fly", whereby senior flight attendance are permitted to work half their normal schedules. The program was negotiated by a union representative who had many requests from flight attendants for reduced hour schedules so that they could be with their children or could attend school. By allowing the senior flight attendance to reduce their hours, the company was able to save jobs and also reduce salary expenditures. The participants are paid at the same daily rate as full-time employees. They continue to accrue union seniority and company service time, and receive pro-rated sick leave and vacation time, and full medical benefits. The participants are required to work three hours a month without pay, to assure that the program is cost free for Pan Am. Otherwise, according to a union representative, the program would have been unthinkable at a time of enormous economic losses and in the face of furloughs.

Some companies are finding that job sharers work more efficiently and absenteeism may be reduced. A company in Iowa had a severe absenteeism problem until a woman who said she was out a lot because of a child care problem suggested a part-time schedule. The firm agreed to try it and the problem was solved. The firm now has more than 50 teams sharing jobs, including assembly line workers, nurses, and clerical staff. The program is restricted to currently-employed, full-time workers who want to reduce their hours. Another restriction is that one member of a team must cover for the other. In contrast, a major objective

voiced by managers to the expanded use of job sharing is that the additional workers (e.g., 20 workers filling ten positions) cause additional supervisory burdens.

Changing demographics and work force composition are leading managers to consider various policies that affect the entire work-life cycle. They realize that people at different points in their lives may require time away from work. Some managers are beginning to recommend this, not just for certain targeted groups such as older workers preparing for retirement.

The importance of careful planning of a part-time program is generally recognized. However, another important consideration -- managing the program once it is off the ground -- is often overlooked. This need for careful, consistent management is equally critical to the successful implementation of flexitime, part time, or any other human resource policy.

About two years ago, a manufacturing firm headquartered in Delaware reported that after seven years, it had discontinued its flexitime program. Managers at the firm told me that the program hadn't worked well for some time because the receptionists were choosing early schedules and thus weren't present in the afternoons to take calls from the California office. Instead of trying to resolve the problem (e.g., with an employee-selected or management-designated rotation system), the company let the program continue in this unsatisfactory way for a few years. Then, when the company reviewed personnel policies in preparation for a move to a new facility, flexitime was dropped. It's possible that flexitime wasn't an appropriate program for the company, but it's also posible that more carful management of the program might have made it work.

I have heard similar objections about job sharing and part-time arrangements. Preliminary evaluations of demonstration projects on part time and job sharing in a telephone company and a state government in the Midwest reported that certain schedules were inappropriate to some jobs -- particularly jobs where public contact was important. The problem in this case was that positions weren't adequately covered -- people would call on Thursday to be told that the employee they needed to talk to would not be back until Tuesday. When I asked if management had tried having part-timers work on alternate days or other arrangements that would give a position full-time coverage, I was told that employees were being permitted to choose their own schedules. Apparently, supervisors were too timid to mandate schedule changes or felt that that would be going against the needs of the employees. When unsatisfactory schedules are allowed to continue and problems to fester, people will become dissatisfied and part-time programs will be curtailed -- perhaps for wrong reasons. So, it is not only the planning that is important, but also the management of the programs.

The National Council for Alternative Work Patterns is starting a six-month project investigating part-time policies and practices at some very large firms. We are going to ask about the demand for part time at these firms, whether that demand has changed over the last few years, and what managers predict the demand will be. We will be talking not only to the personnel office at headquarters, but to different people in each company. We are going to field facilities as well. We want to find out if practices correspond to policies and if policies have kept up with practices. We want to find out if the demands are different at different occupational levels or at different facilities. When the survey is completed, we will report our findings. I welcome your suggestions for questions to include in our survey.Thank you.

SETTING UP EMPLOYEE BENEFIT PACKAGES: ISSUES AND TRENDS

Presentation by Dr. Deborah Chollet
Employee Benefit Research Institute

Today I would like to lay out for you some basic premises of employee benefits from the employer's viewpoint. In the area of employee benefits, the employer is the one who, perhaps together with a labor bargaining unit, makes decisions about what and how much to offer employees; the employer is also the one who deals with the federal, state, and local laws and regulations regarding employee benefits. Sometimes these laws and regulations regarding employee benefits make part-time employees unattractive to employers. Nevertheless, recent changes in the kinds and administration of employee benefits may favor the hiring of part-time workers.

When employers look at their labor costs, they look at all of the costs of hiring and retaining an employee -- wages and salaries, plus non-wage benefits. The cost of non-wage benefits to the employer is considerable. A figure that is often quoted in the press and before Congressional committees is based on data from the U.S. Chamber of Commerce. The number is an alarmist one, and for many purposes, misleading: "The ratio of non-wage benefits to wages and salaries is nearly one to three." For our purpose today, however, the number is useful.

I say that the Chamber of Commerce number is alarmist for a particular reason. Since government taxes, primarily, wages and salaries, some members of Congress and the Administration see the growing size of employee benefits as an erosion of the tax base. They are, therefore, very concerned about further growth of employee benefits. For their purposes, the one-to-three estimate is misleading. Some of the benefits included in the estimate are themselves paid as a tax; most of the rest are fully taxed.

The non-wage benefits that are included in the one-to-three estimate can be considered in two broad groups: legally required employer payments and voluntary benefits. Voluntary benefits themselves can be further broken down into fully taxable benefits and tax-favored benefits. We'll take each group in turn, and look at them from the employer's perspective: in addition to wages, how much does an employee, part-time or full-time, cost?

Legally required employer payments are almost 30 percent of employee benefits -- ten percent of wages and salaries, using the Chamber of Commerce figures. Legally required employer payments include employer contributions to social security, unemployment insurance, workers' compensation insurance, and, in some places, contributions to the railroad retirement fund and state-required

sickness benefits. Employers pay these benefits by law, usually in the form of a special tax on payroll. This means that every employee is automatically more costly than simply the wage he or she takes home: an employee who is paid $100 in wages costs the employer about $110, even if the employee does not receive any benefits other than those required by law.

Next we come to voluntary or discretionary benefits. These are benefits not required by law. A large part of voluntary benefits--nearly two-thirds--takes the form of employer payments for time that the employee does not work. This is primarily paid vacation and sick leave. These benefits are fully taxed. This means that a "day off" to the employee costs the employer more than the employee's wage: it costs the wage plus all the legally required employer payments that the government levies on that wage. A "day off" for any reason, therefore, costs the employer about 110 percent of the employee's wage.

Finally we come to the employer costs that people usually think of as employee benefits--employer contributions to pensions, profit-sharing plans, health, disability, and life insurance, insurance for dental and vision care, legal services plans, merchandise discounts, and the rest. These benefits are, all totalled, about 27 percent of the employee's total benefit package. These benefits are generally "tax-favored." This means that either no taxes are paid on them or that taxes are deferred, as in the case of employer contributions to pension and profit-sharing plans.

Employers who are making the decision to hire a part-time worker are looking at all of these benefits costs, in addition to wages: legally required payments, taxable benefits and tax-favored benefits.

An employer who decides to hire a part-time worker must decide whether that worker is eligible for voluntary benefits. The employer ay decide to "cash out" voluntary benefits to these workers. That is, they might get a proportionately higher wage than they would get if they were working full time, but they would "get no benefits". However, the employee still gets legally required benefits. So the employer still has benefits.

Imagine two options that an employer might consider: hiring two part-time professionals, or hiring one full-time professional. Let's say the slot would pay $40,000 a year. For the two part-time people, every dollar that they earn would fall below the social security ceiling. For a single full-time person, $2,200 of their salary would exceed the social security ceiling. This saves the employer 6.7 percent of $2,200, equal to $147, in legally required payments to social security. I'm not saying that this saving would determine whether an employer would hire a full-time person over two part-time people; there are other, perhaps offsetting, considerations. However, it could be a factor

working against the accumulation of a large part-time professional work force.

The only way to avoid this kind of situation is possibly to tax all earnings -- put no ceiling on taxable earnings. There are, however, a variety of arguments against that. If, instead, we reduced the social security tax rate to some negligible amount, it would minimize distortions like the one we've described, but we would have even more trouble paying for social security than we do now. For people who are in full-time equivalent income categories below the social security ceiling, this distortion is not an issue. That is, in fact, the case for about 85 percent of the work force.

I should mention, for those of you who might not be conversant with the social security program, that the group of individuals who are paid more than $37,800 get fewer benefits when they retire, per dollar paid into social security over their working career. It is a misconception that these people are doing well because they have sheltered income above the social security taxable ceiling. They are the ones who do the worst, which is why some would like to get out of social security. As a form of investment, a dollar paid in by a person making $50,000 gives a poor return. A dollar paid in by a person making $15,000 may be quite a good investment in terms of eventual retirement benefits paid out after age 65.

Let's go on to the other benefits. Let's assume the employer has made the decision to hire a part-time employee. I don't think the social security issue is, in most cases, a sufficient deterrent to that decision. There are, however, other benefits to consider. The problems with benefits and a part-time work force are many, and employers are very aware of them. They may not be insurmountable, but they are there. Most of them have to do with the traditional types and administration of employee benefits; these, however, are beginning to change.

There are two kinds of benefits I want to address in particular. One kind includes pensions and profit-sharing, as well as disability insurance; the other is group health and life insurance. Let me explain the difference between the two groups. Employer contributions to pension and profit-sharing plans, as well as disability insurance, are generally paid as a percentage of the worker's wage or salary. That is, they are wage-linked. The more a worker earns, the more value he or she receives in these benefits. Employer contributions to pensions are set up basically to help replace employee earnings after retirement. They are targeted, in fact, toward achieving some "replacement ratio." For example, after you retire, the pension plan will replace, say, 20 percent of your pre-retirement wage. Employer contributions to disability insurance are calculated in a similar way. The disability insurance usually replaces a set percentage of the worker's wage; therefore, the cost of the insurance policy -- and the employer's contribution -- varies with the worker's

wage. Employer contributions to profit-sharing plans are also usually wage-linked. The employer contributes some percentage of the employee's wage; it may not be a fixed percentage at all wage levels, but it is a percentage of wages.

Health and life insurance, legal services plans, child care benefits, and the like tend to be handled on a group insurance or group benefits basis. Their value is the same for all employees who participate in these benefits, regardless of how much each earns in wages or salary. If you work three days a week, and are a member of the group health insurance plan, your health insurance costs are the same as if you worked five days a week.

Employer costs differ, per hour worked, between the two types of benefits. The employer's cost of providing pension, profit-sharing or disability insurance benefits tends to be relatively constant per employee hour worked. The employer's cost of providing group health insurance per employee hour is not constant. In fact, the fewer hours the employee works, the more expensive the coverage is to the employer.

Why is it, then, that all part-timer workers don't have pension plans? It shouldn't make any difference to the employer. Well, there is a reason, and it is the kinds of pension plans that we've been seeing. Two-thirds of all workers who participate in a pension plan participate in something called a "defined benefit" pension plan. This plan promises a worker a dollar level of income, or a specific income replacement rate, upon retirement. The benefits from the pension plan are defined. When an employee works for a firm and becomes vested, even if he or she does not retire from that employer, he or she has the right to receive an annuity from the pension plan. A worker can come in and vest, and then leave the employer, but retain pension rights. In a defined benefit pension plan, employers have the responsibility of tracking workers: maintaining records on current and past employees and filing reports to the federal and state governments.

The administrative task of managing a pension fund, therefore, is not inconsequential. The same kind of problem exists with respect to disability insurance. The administrative task of providing disability insurance to part-time workers may exceed the ultimate value of the insurance policy to the employee.

Another reason that an employer may not be anxious to provide a pension to part-time workers is competition. If no one else is providing a pension to part-time workers, no one employer will have to in order to attract part-time workers. Employee benefits are highly competitive; if no one else is doing it, any one employer is unlikely to start. Aside from that, even if some employers are doing it, it represents a real cost that other employers -- small employers, for example -- may not be able to undertake. Therefore, we may see large employers offering benefits to part-time workers, but not small employers. Or we

might see employers in one industry offering benefits, but not other industries. By redefining the benefits provided by pension plans, however, the administrative cost of these plans can be reduced. This may be good news for part-time workers; I'll talk more about this later.

With respect to health insurance, there is also a problem associated with part-time workers. Congresswoman Schroeder talked earlier about pro-rating costs for part-time workers. Why is it that if I chose to work ten hours a week instead of 40 hours a week, that I can't pay 75 percent of my group health insurance plan, have the employer pay 25 percent and enter the plan like a full-time employee? Because the insurer wouldn't allow it.

Insurers are very concerned with a phenomenon which they call adverse selection. This means that employees who tend to be very healthy have less of a demand for health insurance than employees who tend to be less healthy. Employees who are single have a lower demand for health insurance than employees who have many children. Employees who are male have less of a demand for health insurance than employees who are female. Employees who are young have less demand than employees who are older. The more employees pay for their own health insurance, the more sensitive they are to their own demand for insurance coverage.

Insurers like to sell group health insurance to employers who will pay the full amount of coverage for their employees. That means that all employees will be included in the plan, regardless of the employee's personal demand for health insurance. The risk pool is broadened. We have healthy employees and we have employees who have chronic problems. We have older and younger employees, male and female. As a result, we have a fairly predictable loss experience -- the population average. The less the employer pays of the premium, however, the more individual employee demand for health insurance becomes apparent. As a result, people who are in blooming health, and always have been, tend to drop out of the plan and look for cheaper insurance -- insurance that covers fewer health care expenses. Seventy-five percent of the premium for group health insurance is not a trivial amount, even if the group rate is half the cost of an individual policy. It's still expensive coverage. And the economic incentives for some employees to find cheaper insurance if they don't expect large health care expenses is there.

That is true in spades for a collectively-bargained plan. If you're trying to find employment in a unionized firm, you will find that the collectively-bargained health benefits are very generous -- and expensive to the employer. Even 25 percent of that cost is still a significant expenditure for the individual, particularly when you're balancing it against 25 percent of the earnings that a full-time worker would receive in the same position. Insurers are concerned that if employers pro-rate

health coverage costs for part-time workers, they are going to have problems with adverse selection. Healthy people who are low risk are going to leave, but the high risk people for whom that is a good investment will buy it. Therefore, year after year, the cost of the insurance plan will be driven up.

Why aren't insurers indifferent to that? Can't they just raise premiums to cover the increased cost? Again, it's not so simple. For small groups of employees, the insurers fix the cost of the plan prior to the year of coverage. The employer pays a premium which is set in January. The insurer is tied into that until the end of December. Insurers have to make good on claims that they may not have anticipated paying out, if they didn't anticipate the composition of covered employees. Larger groups of employees are experienced-rated; the cost of insurance coverage to the employer depends on the firm's own employee group experience. Any employer, however, and particularly a large employer, is likely to start shopping insurers if the cost of the health plan is shooting up. Each insurer, therefore, has some interest in containing the cost of the group health plan.

One reason that you don't see health insurance benefits pro-rated, then, is because of the potential for adverse selection. Health insurance is an important benefit that, presumably, could otherwise be pro-rated. And it might be, up to a point. An employee contributing 25 percent of the full cost of coverage may not be bad. But at 75 percent of the full cost, I think that there are few insurers who would be interested, partioularly if it is a significatn group of part-time employees who are contributing this much to their own health insurance coverage.

The same problems may apply for life insurance. I'm not personally as familiar with life insurance underwriting. Adverse selection, however, might be a problem to consider there. It is very much a problem in health insurance. Not only is health care driving up the consumer price index, it is driving up employers' total labor costs faster than any other part of compensation. Wages and salaries are not rising as fast as the cost of health insurance. Some of this rising cost can be paid by employees, and in fact we're seeing more employees buying part of their employer group health coverage. This may mean that part-timers will have better access to employer coverage than before. It remains to be seen.

There are several things happening, though, that are clearly favorable to part-time workers. In one case, the changes are the result of the growing demand for part-time employment and general demographic and social changes. In another case I think there is a favorable trend that is totally independent of demography and is, perhaps, a side-effect of government regulation.

Let's look at the first case: the emergence of flexible plans. Flexible benefits are basically a way of providing health

and welfare benefits and, possibly, a profit-sharing plan to employees. I think that you're all familiar with the basic concept. In a flexible benefits plan, employees take their benefit dollars and choose the benefits that best suit them: health insurance, life insurance, disability insurance, vacation, group legal services, etc. The federal tax code precludes the inclusion of a pension plan or other deferred income plan in a cafeteria plan. There are other qualifying characteristics as well.

Flexible benefits packages, or cafeteria plans, were recognized by the International Revenue Service in 1978. It's been five years, and there have been no implementing regulations. The problem with not having regulations is that employers who put flexible benefits plans in place are really pioneering. There is the real risk that when these regulations finally do come out, that your particular plan will have been in violation for the last several years. Since the plan was never tax-qualified, you would have to go back and get taxes from all of those employees who did not withhold. That's a real risk.

Nevertheless, some employers -- more every day -- are implementing flexible benefits plans, particularly in industries and geographic areas where employers need to compete vigorously for a skilled work force, full-or part-time. The financial sector of New York City is probably a good example.

This is a very favorable development for part-timers that may accelerate once the IRS issues regulations. The major reason that the emergence of flexible benefits plans may be favorable for part-time workers is that adverse selection in these plans is not an overriding concern. In fact, employers usually offer a flexible benefits plan, in part, to induce some employees -- those with a lower demand for health insurance -- to elect a cheaper health insurance plan than the firm's "standard" coverage. In spite of the adverse selection problem, and the rising cost of the standard health plan, flexible benefits have offsetting advantages for the employer. Since adverse selection is expected in a flexible benefits plan, pro-rating benefits dollars for part-time workers may be much less of a problem.

Furthermore, with the development of computer software for flexible benefits plans, the administrative cost of these plans will fall. Reducing administrative overhead means that administrative costs per employee -- including part-time employees -- are less. Offering voluntary benefits to part-timers, therefore, may become economically feasible where it was not before.

What else is happening that's favorable? Regulation of private pension plans may, believe it or not, be working in favor of the part-time employee. We're seeing the relatively slow growth of defined-benefit pension plans that are highly regulated under the Employee Retirement Income Security Act (ERISA) and the more rapid growth of relatively unregulated defined-contribution

plans. Two-thirds of employees who participate in a pension plan are in a defined-benefit plan, but nearly two-thirds of all plans are now defined-contribution.

A defined-contribution plan gives employees an employer contribution to their pension plan every month that they work, but does not promise any level of earnings replacement at retirement. The investment risk is borne by the employee in a defined-contribution plan. When a vested employee leaves the firm, he or she is usually given a lump-sum amount, equal to the employer's accumulated contribution plus interest. The employee is, at that point, responsible for managing his or her own pension fund.

On a defined-contribution plan, the part-time employee looks a lot more like the full-time employee in terms of the employer's administrative cost. The employer does not have to track former employees until they retire. The lower long-term administrative expense of a defined-benefit plan may mean that part timers will have greater access to a pension plan through their employers.

Both developments--flexible benefits and defined-contribution pension plans--look favorable for part-timers.

CHILDREN OF WORKING PARENTS

Presentation by Cheryl Hayes
National Academy of Sciences

The topic of children of working parents is something that is near and dear to my heart, both professionally and personally. As a mother of three young children, the youngest of whom is only six weeks old, this is something that I have given a great deal of thought to, in addition to my professional concerns.

Data concerning the changing pattern of labor force participation are familiar to all of us. Women have been turning to paid employment outside of the home in ever increasing numbers over the past two decades -- married women as well as those who are divorced, widowed and never-married. Many of these women are mothers of school-age or pre-school-age children. As a result, the nature of children's lives in our society has changed quite dramatically.

I'll just summarize briefly, because I think many of the numbers are familiar to you. Over half of all children in our society today have mothers who work either full time or part itme outside the home. Over two-thirds of all school-age children (six-17) have mothers who are working. Nearly one-half of all pre-school children (three to five) have mothers who are working outside the home. Almost 45 percent of all children under the age of two have working mothers.

Today, the family with the father who is the breadwinner and the mother who stays home and bakes cookies is no longer the national norm. In fact, less than 30 percent of all American families fit that formulation. The most salient question for researchers looking at this changing social phenomenon, for professionals who deal with families, and for parents themselves is what difference does this change make for our children?

What difference does it make to the life and development of a child if the mother or father works full time or part time? It's a question about which almost everyone has strongly-held views and biases. It's a question that begs for a simple thumbs up or down kind of an answer. And yet, it is a question that utterly defies any clear cut, definitve response. I'm sorry I can't tell you that it's all good or bad. The answer is a fuzzy wuzzy: "It all depends." It depends on factors of race, family structure and income. It depends on factors of the mother's educational level, her attitudes toward work, housework and child rearing. It depends on the father's attitude (if there is a father present) towards housework and child rearing. It depends on the child, the child's special needs and personality characteristics, etc. And most importantly, I would say that it depends

upon the interaction of all of those kinds of factors. It's not just work that makes the difference in terms of children's developmental outcomes. That is a finding in which some people take refuge, and which other people only find more frustrating.

Over the past three years at the National Academy of Sciences, we've had a Panel on Work, Families & Community under the auspices of the Committee on Child Development, Research and Public Policy. The group spent a great deal of time reviewing and synthesizing the existing research on consequences for children of maternal and paternal labor force participation. The interesting thing is (I want to emphasize this in telling you about the findings of the study) is that we are looking primarily at mothers' work. The studies that have been done have looked primarily at the consequences of mothers' employment. Because fathers' work is taken so much for granted, little research attention has been given to the consequences of fathers' employment for child development.

The two major identifiable effects of mothers' work are more family income and less family time spent together. Those would seem to be self evident, but let me talk a little bit about them. Both have variable effects, depending on family circumstances. In a family that is well below the poverty level, the mother's work (i.e., her income), may mean the difference between a child eating properly, having decent shelter and clothing, and having his/her special needs met. The income factor is important, and it makes a difference in every family differently.

There's also the factor of less family time spent together. On the surface, we might assume that that would have a detrimental effect on children. It does have a detrimental effect on those who have special needs, those who have a special attachment to their parents or who don't have adequate substitute care. For children in a home where a mother resents being home, her absence may not be nearly so detrimental as her presence. Again, it's a situation where there is no clear-cut outcome that we can discuss.

Let me say a little bit about what the research does show. The research shows that children of working and non-working families really have lives that differ very little if they are in the same socio-economic group. In other words, they spend their time during the course of a day or a week in very much the same way, with the same kinds of people involved in the same kinds of activities. That is particularly true of school-aged children. They spend a certain number of hours in school, in after school activities, in active participation with their parents, and that varies very little regardless of maternal employment.

Among younger children, particularly infants, there is less time spent together, but we find that time studies show there is very little difference in the amount of active care time that mothers spend with their children. The big difference is

availability. Is the mother in the home and available to the child if the child should need her?

We find from the time-use studies that children of working and non-working mothers spend about the same amount of time watching television, and that televison has the same kinds of negative and positive effects on their development. Sesame Street was a program for young children, developed and supported in the 60's by the Ford Foundation and the National Institutes for Education as a way of providing compensation for culturally deprived, low income families. It turned out to have its greatest impact among children in well-educated, upper middle class families. The point is that if television is going to affect behavior, reading ability, or a child's attitude about learning in school, it is independent of whether or not the mother works. The amount of time the child spends watching television turns out to be far more closely linked to the amount of time the mother or father spends watching it. Attitudes about education, reading and willingness to learn tend to be far more closely linked to the mother's education, and the value that's put on reading in the home.

The same is true in peer relations. There's a great concern in our society about whether children of working mothers tend to be children that get into trouble, and who fall in with the wrong crowd. This is presumably because their mothers are not there to supervise the kinds of friendships they develop and the kinds of peer interactions that occur. The fact of the matter is there is no real research to support this assumption. Children's peer relationships and the quality of those relationships tend to be more dependent upon the quality of the parent-child relationship. Whether a child is going to have problems with peers is far more closely linked to whether or not the child has problems with the parent, than whether the parent works. However, there may be some indirect effects which I want to get to in a minute which have not been carefully evaluated.

The final aspect of child development that I want to touch on is school achievement. There's a strong supposition that children of working parents tend to do less well in school. The research on this issue is quite mixed, and I would emphasize that the studies that have been done tend to be small observational studies. I think that the findings which I will mention briefly should be regarded very carefully and cautiously. There are studies that have been done by Lois Hoffman at the University of Michigan that suggest that children of working parents, particularly middle class boys in the six to 12 year old range, tend to do less well in school. They tend to be somewhat distracted and have a shorter attention span. The studies also show that girls in the same age group tend to have a greater sense of independence, self assurance, motivation, and tend to do better on standardized achievement tests. Allison Clarke-Stewart's studies of pre-schoolers and early elementary children show greater verbal and social skills among children of working

mothers. But it is important to remember that Allison's sample was largely children of well-educated parents, many of whom are University of Chicago faculty.

Again, I think these are the kinds of findings that should not be generalized to any great extent. Part of the problem is that the data do not go back far enough, and we don't have the longitudinal information available to evaluate, over the long run, what will happen to children of working mothers. The phenomenon in our society is too recent, and we simply lack the historical data that will give us an opportunity to make those kinds of assessments.

One thing that is very clear though, with regard to child outcomes, is the issue of the quality of child care. There are no national data collected in this country right now in any systematic form that tell us very much about where children are cared for, what kinds of arrangements exist, the types of families that use them, the quality of the care, etc. Let me address myself to some of these issues just briefly.

The primary types of child care that are available in this country right now are of five major types. One is the care that is provided under educational auspices. Those are primarily for pre-school children -- nurseries, pre-schools, etc. Because all children go to school from ages six to 17, we would regard that as a school experience, not a child care facility (even though it functions that way for many families). The second is the family day care home where a mother cares for her own children and other children in her own home on a full-time or part-time basis. The third is the child or group care center. Many of these are publically financed and run on a non-profit basis. Others are private non-profit, and there's a growing number of for-profit proprietary day care centers. In fact, this is one of the fastest growing U.S. industries in the past five years. The fourth is in-home care. Children are cared for in their own homes or in the homes of relatives. And finally, there are after-school programs that are provided through schools or through recreation departments.

The choice of child care arrangements varies dramatically depending on the age of the child, what's available to a family in a given neighborhood, and what's available based on one's monetary resources. As I mentioned earlier, the picture is far from clear. We don't really have a good sense of how many children are cared for in all of these different kinds of arrangements. Let me give you our best estimates, based on the work that we've done at the Academy.

Among children in the three to five year old range, the child care nursery and pre-school seems to be the fastest growing source of child care. Interestingly, it's used regardless of whether or not mothers work. Approximately two-thirds of all children in this country in the three to five year old range have

some kind of a pre-school or nursery school experience. Obviously, more highly educated families and families with higher income tend to use and rely on this kind of care more than those at the lower income levels. Seventy percent of these children have working mothers.

Kindergarten is now provided in most public schools, and 93 percent of all five year olds are enrolled in kindergarten in this country. Pre-schools and private kindergartens are very expensive. The tuition range is $500 - $2,000 for the school year. That tells you a bit more about why the largest users tend to be high income families. The other interesting thing is that pre-school and kindergarten tuition expenses are deductible as child care expenses. That has an income regard however. The amount that you are allowed to deduct is determined in part by the amount that you spend and in part by the amount that you earn. Nevertheless, that's a significant factor for many families, and therefore preschools have become a major form of child care, particularly for part-time working mothers.

Ten percent of all children in the three to five year old range are in child care centers. These are not nurseries, but simply maintenance or day care facilities. Some are public and some are private. Many of them are supported by federal funds through Title XX or Head Start, and cater to families at the lower end of the income scale. Coupled with this is the growing number of proprietary child care centers.

For infants under two years old, it's much more difficult to get a clear sense of the proportion that spend their time in any particular kind of child care arrangement. Available data that come to us through the Census give us a rough indication of infant and toddler care arrangements. The data suggest that most are cared for in family day care homes, including about 70 percent of the very young children of part-time working mothers. The remainder tend to be cared for in their own homes or the homes of relatives or friends. Very few are cared for in child care centers because there are not many center slots available for infants and toddlers. Most centers require the children to be over the age of two and potty trained.

In-home care is where one pays a caretaker to come into the home (not necessarily a relative). This is generally limited to families at the top of the income scale. It is usually expensive care and interestingly enough, there's a critical shortage of caretakers. It's a very serious problem, one which I have strong personal feelings about. In this country, we do not train people to take care of children. We pay more for housekeeping and cleaning than we pay for child care in our own homes. We tend to be more concerned about the qualifications, references, and past experience of people who perform those kinds of services than for those who perform child care in the home.

I also want to mention something about maternity leave. There are so few children in this country who are cared for by their own mothers as infants. Only about 40 percent of all mothers who work either full time or part time have any kind of paid maternity leave, usually then for only six to eight weeks. The others who remain home, and the average tends to be about six months (because the law guarantees that the position must be held for six months) are on unpaid leave. I am currently on unpaid maternity leave. As one dealing with these kinds of issues, I find myself bristling a bit after having spent ten years in the labor force, that there is no paid maternity leave available.

Data concerning after school care tend to be the hardest of all to get. There's no systematic information and it also tends to be the area where there are the fewest kinds of formal arrangements. Many children participate in after school programs or go to recreation centers, but they would tend to do that whether or not their parents work. We don't know the extent to which the after school programs of that type are performing babysitting or child care services. We certainly know there is more demand than there is supply for these kinds of arrangements. Informal care with friends, neighbors, babysitters, and siblings seems to be a major way in which school age children are cared for during after school hours when the parents work. We also have a sense that many children are not cared for at all. The latchkey problem is an enormous one, but the exact dimensions are impossible to estimate.

Let's talk briefly about the quality of child care. There are no systematic data about the quality of child care and no one arrangement is universally better than any other arrangement across the board. We do know that children cared for in family day care homes and in center care (whether it's private for profit, non-profit, or public) are regulated by a melange of State and local regulations and guidelines. Those regulations provide specifications concerning child-staff ratio, group size, and the training that the child care providers must have. In the end, the quality of child care in those facilities depends on the individual state, and the requirements vary dramatically.

All types of child care can provide quality care, and for those who feel that children are cared for best in their homes there are alot of conflicting data right now. As I mentioned, Allison Clarke-Stewart, at the University of Chicago, has just finished her major study of toddlers in center care. Granted, they are toddlers coming from upper middle income, well-educated families, mostly professors of the University of Chicago. But her findings suggest that children in center care scored much higher in a variety of kinds of cognitive and social development tests and measures.

Much of the quality of care and its appropriateness (quality and appropriateness tend to be issues that are sometimes difficult to disassociate) depend on individual needs and the

individual routine of the family. Choice of child care tends to be defined and determined far more by access than by carefully thought out or researched decisions concerning what is best for a child or for a family. There is also an extreme shortage of professional child care providers, both in center and in home. There's a growing need in this country for affordable, professional child care.

So as not to close this discussion on a down note, let me spend one minute telling you a little bit about some innovations that are not filling the needs of the vast majority of the people in this country, but are things that are ongoing. One is employer-provided child care, both on-site and through cafeteria benefits packages. There are amongst large corporations, a growing number that are experimenting with on-site child care centers and with the provision of child care vouchers as part of the benefits package.

There are also a growing number of community cooperative child care facilities, particularly for toddlers. These are often quite appropriate to the needs of part-time working mothers who can devote a morning, or day on a regular schedule assisting in the care of their own children and others. There are a growing number of child care centers and nurseries, particularly proprietary centers. Finally, there's a growing need and the beginning of a new turn towards para-professional training and particularly, the nanny school. In fact, there is going to be a nanny school opening in Washington in the next year that will be dedicated primarily to training professionals as home child care providers for working parents. So let me leave it with that.

WORKING PART TIME AFTER RETIREMENT

Presentation by Glenn Northup
American Association of Retired Persons

After listening to some of the speakers this morning, I found that somewhere near the middle or towards the end of a group of speakers, they inevitably steal most of your material. Therefore, I decided that perhaps the best thing would be for me to wing it a bit and deal with attitudes relative to the older worker, part-time or full-time, but generally part-time.

I would like to explain very briefly what my experience has been. I have worked with the Title IX/Title V program which is the Older Americans Act administered through the Department of Labor. This is a program designed to help elderly poor people (elderly being people over the age of 55) find employment. These are people who are at or below the currently-established poverty guidelines. Therefore, I don't deal extensively with "professionals."

The current breakdown of the people I have in our American Association of Retired Persons (AARP) program is about 64 percent women, 40 percent minority. These are people who for a variety of reasons need to get back in the work force, either for psychological or more especially financial reasons. Part-time employment, therefore, becomes tremendously important to them. It also enables most of them to add to their social security quarters and to get into the retirement income area.

Older worker is often synonomous with part-time worker because more older people would prefer working part time. The negative attitudes that we have to overcome in finding employment for older people really start with people themselves. It is extremely prevalent throughout our society (the attitude toward both part-time and older workers) and unrecognized even by most people.

I received a flyer in the mail on a new book written by an "expert in the field of older workers." The book explains how valuable they are, and how important it is for them to be back in the work force. The first sentence in the flyer selling this book is: "Not all older people are unfit for work." I saw that and I really couldn't believe what I was seeing. I could not understand how someone with this person's experience and education could come out with a flyer sent out to everybody that says, "Not all older people are unfit for work." I read it as though, "Not all older people are unfit for work, however, most of them are." The rest of the flyer doesn't improve as it goes along.

I was asked to speak on three points: the practical problems that retirees face that might lead them to want part-time work, the current obstacles in finding part-time work, and some of the solutions that the individual employers and government should consider.

As far as the problems are concerned, there are a number of them. The first is financial. The second is the attitude of the employee and the employer. Another problem that needs to be addressed is health. Of course, a major stumbling block to people re-entering the work force, or improving their situation in the current work force is the issue of employee benefits. A final problem is the unemployment rate across the country.

The financial problem is pretty much self-explanatory. The unemployment may not be. We keep hearing that the unemployment rate is dropping. Indeed it dropped from 9.5 to 9.3 percent last month. However, unemployment among the elderly (people over the age of 60) increased by 23,000 people in one month. It went from 757,000 to 780,000 in one month. For some reason the Administration doesn't seem to want to talk about that.

In the health area, we have shown a number of times that the older employee is a more healthy employee. They take less time off, and they are less accident prone. As far as taking less time off by virtue of illness, the national average on time lost due to illness is 3.1 percent. Among workers over the age of 55, it hovers around one percent. This is a pretty substantial savings to firms. Also, we have shown that older people remain healthy longer if they remain active and working. We did an in-depth study of some of our client group (approximately 600 people). One requirement for them to enter our program is to have a medical examination and then an annual physical thereafter. Almost without exception, blood pressure dropped from the day before they entered employment up through the next year. Savings, from a medical cost standpoint, to the taxpayers (Medicare, Medicaid, etc.) are potentially astronomical. This is another major reason for using the part-time and older worker.

The benefit package is a major stumbling block to any part-time employee. I don't know the answer, but as Congresswoman Schroeder said, to have some of these dealt with on a pro-rated basis is not beyond the realm of possibility. We do it with our enrollees. We base the benefits they get on the number of hours worked. They get some of the benefits I get at AARP, but on a pro-rated basis.

What kind of solutions do we have? How do we change the attitudes of the employee and the employer? I feel that the only way to do it successfully and in a manner which would have a long term effect is through education: by showing people, firms, government at all levels, that the older worker and part-time worker are viable employees, showing that they are going to be a major benefit to the employer.

How do you go about doing this? I think by pointing out success stories. Show where the companies that have used this kind of a work force have gone way above and beyond comparable companies as far as profits are concerned. Show employers how to save or make dollars for them by using part-time and older workers. The advantages are legion.

How do you get government to do this? Just as with companies, you've got to convince Congress and the Administration that there are some major savings in doing this. How much better it is to have someone contributing to social security than using it. How much better it is to have people contribute than use Medicaid or Medicare. The savings are there. There is no question about it, and it is substantial. The more this is brought to the fore, the more programs like Title V there are (the same thing could work for younger people), the more education there will be, and the more successful the attitude change will be.

GOVERNMENT ACTION TO ASSIST PART-TIMERS

Presentation by Madeleine Hemmings
National Alliance of Business

I am supposed to be talking about legislation, and I do really find a lot of legislation that is currently being considered that affects us. I've spent about seven years representing the business community on a variety of employment issues in training and education, so I'm probably speaking with a great deal of bias from their point of view.

In considering issues it's usually very important to try to understand where the other guy is coming from. You may be able to arrive at a proposal which is better than either one of you was starting with. Secondly, you can debate the argument because you really understand what it is. Either way, I think that solutions to problems come in understanding what forces are impacting all sides of the issue. It's usually not just two sides; we usually have twenty sides.

The key issue in encouraging, or looking at, legislation that affects the employment opportunities of part-time people is: does it cost more to have a greater number of part-time employees or fewer full-time employees, assuming that we're discussing permanent employment. I've been impressed by the fact that the world never seems to know the difference between part-time and temporary people. I think it is a terrible problem to those people who are part time, because it implies that part-time workers are not a permanent part of the group. I think it's extremely unfair.

Let's look for a minute at some of the things that impact on the employer's hiring decision in terms of cost. There's the matter of total wages. There's a tremendous wedge between what we pay people and what it actually costs to employ that person. The employers are very resentful that they can't pay more of what it is costing them directly to their employees. However, there are all kinds of laws and restrictions that require that they pay the government and others. In the long run, all those things may benefit the employee, but nonetheless, the person doesn't have the cash in hand. Do we really know that the person who is receiving the money wouldn't really rather have the total amount?

Let's consider what we call total wages. That includes the wages that you receive, the benefits, and legally-required payments. In the area of legislation, I think the legally-required payments are the issue. They amount to about 11 to 12 percent of payroll, which is quite a bit. Social security is seven percent on top of whatever your pay is. The employer has to make out a

check for 13 and one-half percent everytime he does his payroll. He or she takes half of it from you and half from himself or herself. The person who does not have the money when the payment is made is the employer.

These costs also reduce the number of jobs available as a whole. If you look at one of the reasons why we don't have as many employment opportunities in the country as we could, it's because of the wedge of cost. It it weren't there, we would probably be able to hire more people.

When you make up the payroll, it's really evident. Unemployment insurance normally costs about two percent of payroll; the actual payment is somewhere between four to six percent on the first $7,000 paid. Workers' compensation is about one to two percent of payroll. Then some employers are liable for the railroad retirement tax, or state disability income tax in six states. That's before you start to give anybody health insurance, vacation, extra hours of work, etc. Now, that's pretty high.

How does that affect the willingness to hire part-time people? Under the Employee Retirement Income Security Act (ERISA), passed in 1974, you have to include employees in the pension plan if they have been there ten years. Even that cuts a lot of us out. ERISA also allows the employer to exempt anyone who works less than 1,000 hours. Most of us work theoretically 2,000 hours per year, so this is about half-time. The ERISA exemption means a real incentive in some ways to hire a number of part-time people.

Under social security, I don't think it really matters to most employers whether they have one or more persons in the job, because the minimum wage base on which one must make contributions to the system is $35,700 in 1983. The average wage in this country is $15,000, so there are very few jobs that have any period of time anymore when the employer is not contributing to social security. Therefore, two employees cost no more than one for social security purposes in 1983 until each is making over $35,700.

It is exactly the opposite for unemployment insurance. The cost ranges from two and one-half to six percent on the first $7,000 earned, depending upon the employer's experience rating. If you have a person earning 15, 20 or 30 thousand dollars, you still only pay on the $7,000. If you have two people earning $15,000 you pay double. That does run up the cost a bit, depending on the firm's experience rating. The experience rating is determined by how many people have been laid off that have collected unemployment insurance in the last several years.

Let me look at some of the questions that Diane proposed. She asks whether federal and state laws should be changed so that employer contributions are strictly proportional to earnings and

are computed on the basis of how many full-time job equivalents are on the payroll, rather than how many actual employees the employer has. First of all, the unemployment insurance system has taken two or three major recessions in the teeth and doesn't have any extra money. You have to remember that every one of the people who is being paid for can, in fact, draw benefits. Therefore, you cannot contribute by full-time equivalent workers, because the state is liable for the benefits for each of those people. Trying to divide benefits would be an administrative nightmare. Also, most states have a minimum benefit for the person who is unemployed. The biggest problem with that idea, however, is lack of resources.

She also asks me to speak to negative treatment of part-timers' claims under state unemployment insurance laws. "These laws should be amended by making the availability of work requirement for part-timers apply to work which is suitable in light of individual circumstances." Well, I talked with some experts on this, and they told me that there are some interesting points to this that may be very favorable to that kind of movement. The part-time workers take longer to qualify for unemployment insurance because of the minimum earnings requirement. In other words, you have to earn a certain amount in order to qualify for benefits at all. So employees can pay less than the qualifying wage by hiring more part-time people. What we have is a series of incentives and disincentives to hire part-timers -- which may balance out.

Some states disqualify people from all benefits if the person takes any part-time work. I find that in many cases, employers are extremely concerned about the suitability of work test. Normally employers are looking for ways to tighten up eligibility and unemployment insurance.

A recent study shows that the high levels of unemployment have taken resources away from unemployment insurance, principally from the staff time necessary to verify claims. When there are enough people to verify claims, something like 40 percent of them are disallowed. If the suitablility of work test could be loosened up, then people who legitimately need unemployment benefits could get more of them.

Finally, a brief comment, as a person who deals with policy about the various existing and proposed accounts for retirement, training, retraining, and education. Why not let people set their own money aside and provide them with some kind of tax benefits for doing so? I think it has a lot to recommend it, but I think it has to be set up so that it doesn't become a regulatory nightmare.

CONFERENCE SPEAKERS

HELEN AXEL is Program Director of the recently formed Work and Family Information Center at The Conference Board. She is completing a study on corporate personnel practices beneficial to families, based on interviews conducted with corporate personnel offices and a series of research workshops that explored work and family issues with corporate executives.

NANCY BARRETT is Professor of Economics at the American University. She is the author of several books including, Prices and Wages in U.S. Manufacturing, and The Theory of Macroeconomic Policy. She has written articles on economic policy, labor markets, and related issues and was a major contributor to The Subtle Revolution, a collection of works on the growth of the female labor force. She received her Ph.D. in economics from Harvard University.

DEBORAH CHOLLET is a Research Associate with the Employee Benefit Research Institute responsible for conducting research in health and welfare benefit policy. Holding a Ph.D. in economics from Syracuse University, she is the author of numerous publications related to health benefits and was a Senior Research . Fellow at the National Center for Health Services Research.

CHERYL HAYES is Executive Officer, Committee on Child Development, Research and Public Policy of the National Academy of Sciences. Earlier she was Study Director for the NAS committee of its Panel on Work, Family, and Community, its Panel for Study of the Policy Formation Process, and its Study Project on Children's Services. She co-edited two recent committee publications: Children of Working Parents, and Families That Work.

MADELEINE HEMMINGS is Vice President, Policy of the National Alliance of Business where she follows legislative issues concerned with education. Formerly, she served as Director of Education, Employment, and Training of the U.S. Chamber of Commerce.

PAUL JONES has been Personnel Manager of Control Data Corporation's Washington area for four years. Prior to taking this post, he managed employment and equal employment opportunities for Random House.

DEBRA KALMUSS is Assistant Professor of Sociology at the Catholic University, and is working on a Department of Defense study, "Well-Being of U.S. Civilian Families: A Review of Data, Research, Needs, Values, and Services Related to U.S. Families." She received her Ph.D. from the University of Michigan.

STEPHEN McCONNELL is an industrial gerontologist with the House of Representatives Select Committee on Aging. He came to the

Committee from the Andrus Gerontology Center at the University of Southern California where he was Director of the National Policy Center on Employment and Retirement, and where he earned his Ph.D. His primary expertise is in employment policies for older workers.

STANLEY NOLLEN, a leading authority on alternative work patterns, is an Associate Professor at the Georgetown University School of Business Administration, and Director of the MBA program. He has authored several books including, New Work Schedules in Practice, and Permanent Part-Time Employment: The Manager's Perspective, and numerous articles and monographs. He received his Ph.D. from the University of Chicago.

GLENN NORTHUP serves as the National Project Director of the Senior Community Service Employment Program of the American Association of Retired Persons (AARP). As project director, he administers the policies, operations and fiscal management of 107 project sites across the country which employ over 8,000 older workers. He has been with the AARP for more than ten years and has had over 20 years of business and government experience in administration and marketing.

THOMAS PLEWES has served as Associate Commissioner for Employment and Unemployment Statistics for over two years. Earlier, he was Deputy Assistant Commissioner for Employment Structure and Trends. Mr. Plewes has been with the Bureau of Labor Statistics, U.S. Department of Labor since 1973.

GAIL ROSENBERG is President of the National Council for Alternative Work Patterns, a non-profit research and resource group that provides information regarding flexible and reduced work hour schedules. A frequent speaker and writer on work scheduling issues, she is co-author of Work Sharing Case Studies and editor of the Alternative Work Schedule Directory.

PATRICIA SCHROEDER has served in the House of Representatives since 1972 with a career marked by action on women's rights, the environment, and defense. A leader in passing the Federal Employees Part-Time Career Employment Act of 1978, she serves on the Armed Services Committee, the Judiciary Committee, the Post Office and Civil Service Committee, and the Select Committee on Children, Youth and Families.

KATHERINE TIPPETT is group leader of the Family Economics Research Group, Agricultural Research Service, U.S. Department of Agriculture. She has responsibility for coordinating a program of applied research relating to family use of resources and serves as editor of Family Economics Review. A member of the Association of Part-Time Professionals, she has worked in a part-time capacity since 1974. Ms. Tippett currently supervises a staff of 14 persons -- more than half of whom work part time.

SARA WAGNER is Vice President of JWK International's Human Resources Group where she directs, coordinates, and participates actively in projects related to education and social programs. She holds a Ed.D from Wayne State University.

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